

Cognigen ApS (Under frivillig likvidation)

c/o Martinsen, Voldbjergvej 16, 2. tv, 8240 Risskov

Annual report

2021/22

Company reg. no. 40 91 80 78

The annual report was submitted and approved by the general meeting on the 10 March 2023.

Jørgen Flodgaard
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Liquidator's statement

Today, the liquidator has presented the annual report of Cognigen ApS (Under frivillig likvidation) for the financial year 2021/22.

The annual report has been presented in accordance with the Danish Financial Statements Act.

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 August 2022 and of the company's results of activities in the financial year 1 September 2021 - 31 August 2022.

The liquidator consider the conditions for audit exemption of the 2021/22 financial statements to be met.

I am of the opinion that the liquidator's report presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Risskov, 10 March 2023

Liquidator

Jørgen Flodgaard

Practitioner's compilation report

To the Management of Cognigen ApS (Under frivillig likvidation)

We have compiled the financial statements of Cognigen ApS (Under frivillig likvidation) for the financial year 1 September 2021 - 31 August 2022 based on the company's bookkeeping and on information you have provided.

These financial statements comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Liquidator in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As mentioned in note 1, we draw attention to the fact that the company is during liquidation. Consequently, the applied criteria for recognition and measurement are based on the realization principle; please see the description in the "Accounting policies" section.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Risskov, 10 March 2023

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Søren Anthon Thorup Pedersen
State Authorised Public Accountant
mne10154

Company information

The company	Cognigen ApS (Under frivillig likvidation) c/o Martinen Voldbjergvej 16, 2. tv 8240 Risskov
	Company reg. no. 40 91 80 78
	Established: 28 October 2019
	Domicile: Aarhus
	Financial year: 1 September - 31 August 3rd financial year
Liquidator	Jørgen Flodgaard
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Voldbjergvej 16, 2. sal 8240 Risskov
Parent company	Simulations Plus, Inc. 42505 Tenth Street West Lancaster, CA 93534 USA

Liquidator´s review

The principal activities of the company

The principal activities of the company is to operate within the consultancy business and any other related activity.

Development in activities and financial matters

The gross profit for the year totals DKK 1.499.473 against DKK 2.497.081 last year. Income or loss from ordinary activities after tax totals DKK 22.448 against DKK 68.898 last year. Management considers the net profit or loss for the year satisfactory.

Income statement 1 September - 31 August

All amounts in DKK.

<u>Note</u>	<u>2021/22</u>	<u>2020/21</u>
Gross profit	1.499.473	2.497.081
2 Staff costs	-1.424.446	-2.375.547
Operating profit	75.027	121.534
Other financial income	0	2
3 Other financial costs	-36.724	-32.854
Pre-tax net profit or loss	38.303	88.682
4 Tax on net profit or loss for the year	-15.855	-19.784
Net profit or loss for the year	22.448	68.898
 Proposed appropriation of net profit:		
Transferred to retained earnings	22.448	68.898
Total allocations and transfers	22.448	68.898

Balance sheet at 31 August

All amounts in DKK.

Assets		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Current assets		
Receivables from group enterprises	234.205	494.067
Other receivables	<u>52</u>	<u>169</u>
Total receivables	<u>234.257</u>	<u>494.236</u>
Total current assets	<u>234.257</u>	<u>494.236</u>
Total assets	<u>234.257</u>	<u>494.236</u>

Balance sheet at 31 August

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Equity		
Contributed capital	40.000	40.000
Results brought forward	164.257	141.809
Total equity	204.257	181.809
Liabilities other than provisions		
5 Income tax payable	0	19.536
Total long term liabilities other than provisions	0	19.536
Trade creditors	30.000	30.000
Other payables	0	262.891
Total short term liabilities other than provisions	30.000	292.891
Total liabilities other than provisions	30.000	312.427
Total equity and liabilities	234.257	494.236

1 Uncertainties concerning recognition and measurement

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 September 2020	40.000	72.911	112.911
Profit or loss for the year brought forward	<u>0</u>	<u>68.898</u>	<u>68.898</u>
Equity 1 September 2021	40.000	141.809	181.809
Profit or loss for the year brought forward	<u>0</u>	<u>22.448</u>	<u>22.448</u>
	<u>40.000</u>	<u>164.257</u>	<u>204.257</u>

Notes

All amounts in DKK.

1. Uncertainties concerning recognition and measurement

The company has entered into liquidation and, as a result, the financial statements will be presented in accordance with the realisation principle.

	<u>2021/22</u>	<u>2020/21</u>
2. Staff costs		
Salaries and wages	1.282.542	1.998.227
Pension costs	136.800	366.743
Other costs for social security	5.104	10.577
	<u>1.424.446</u>	<u>2.375.547</u>
Average number of employees	<u>2</u>	<u>2</u>
3. Other financial costs		
Financial costs, group enterprises	35.578	32.659
Other financial costs	1.146	195
	<u>36.724</u>	<u>32.854</u>
4. Tax on net profit or loss for the year		
Tax of the results for the year, parent company	15.070	19.536
Adjustment of tax for previous years	785	248
	<u>15.855</u>	<u>19.784</u>
	<u>31/8 2022</u>	<u>31/8 2021</u>
5. Income tax payable		
Long-term part of corporate tax (note)	0	19.536
Share of amount due within 1 year	0	0
	<u>0</u>	<u>19.536</u>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>

Accounting policies

The annual report for Cognigen ApS (Under frivillig likvidation) has been presented in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B enterprises with the modifications caused by the liquidation.

The most significant modifications resulting from the liquidation

Assets and equity and liabilities have been measured at realisable values. As a result of the liquidation, all assets have been recognised under current assets whereas all liabilities other than provisions are recognised as short-term payables.

Except for the changes mentioned above, the accounting policies are unchanged from previous years. The annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue and external costs.

Accounting policies

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs incurred for administration.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Financial income and expenses

Financial expenses comprise interest. Financial expenses are recognised in the income statement with the amounts concerning the financial year.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Liabilities other than provisions

Liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.