



Cleardox ApS

Store Regnegade 2, 1110 København K

CVR no. 40 98 49 92

**Annual report for the period
1 June 2023 to 31 May 2024**

Adopted at the annual general meeting on 25 October 2024

Christoffer Stougaard Pedersen
Chairman


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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Cleardox ApS for the financial year 1 June 2023 - 31 May 2024.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 May 2024 and of the results of the company's operations for the financial year 1 June 2023 - 31 May 2024.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 25 October 2024

Executive board

Oliver Julius Byrch Fjellvang

Christoffer Stougaard Pedersen

Independent auditor's report

To the shareholders of Cleardox ApS

Opinion

We have audited the financial statements of Cleardox ApS for the financial year 1 June 2023 - 31 May 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 May 2024 and of the results of the company's operations for the financial year 1 June 2023 - 31 May 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 25 October 2024

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Morten Friis Munksgaard
statsautoriseret revisor
mne34482

Company details

The company

Cleardox ApS
Store Regnegade 2
1110 København K

Telephone: 30185173

CVR no.: 40 98 49 92

Reporting period: 1 June 2023 - 31 May 2024

Incorporated: 4 December 2019

Domicile: København K

Executive board

Oliver Julius Byrch Fjellvang
Christoffer Stougaard Pedersen

Auditors

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
Poul Bundgaards Vej 1, 1.
2500 Valby

Management's review

Business review

The company's purpose is directly or indirectly to conduct business in the development of IT applications that can be sold as software as-a-service.

Financial review

The company's income statement for the year ended 31 May 2024 shows a loss of DKK 578.499, and the balance sheet at 31 May 2024 shows negative equity of DKK 1.574.229.

Over the past year, Cleardox has focused on enhancing the capabilities of its core product, integrating several features which contribute to its overall foundation. The company has seen a steady intake of new customers, with retention rates remaining consistent. The utility of our product by the existing user base has led to an average processing of about 80,000 pages monthly. Our shift towards incorporating integrations with other systems has started to gain momentum. These integrations are instrumental in establishing associations with other industry entities, thereby diversifying our operational sphere. The emerging trend of generative AI has prompted an increased number of inquiries. Prospective clients are keen on using Cleardox for removing personal data from documents, subsequently integrating them into their existing LLM-models. This functionality has the potential to streamline Cleardox's operation.

Our roadmap for the upcoming year includes consolidating our sales activities within Denmark. Parallely, we are exploring opportunities outside the Danish market, as evident from pilot projects in Norway, the US and the Netherlands. While the primary focus remains on Cleardox Anonymize, there's an intent to introduce an additional product to our portfolio. This addition aims to cater more comprehensively to our current clientele and penetrate further into the market. The year ahead will see balanced efforts directed towards sales and marketing, targeting both local and international markets.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 June - 31 May

	Note	2023/24	2022/23
		DKK	DKK
Gross profit		1.735.728	552.708
Staff costs	1	-2.150.567	-2.359.364
Profit/loss before amortisation/depreciation and impairment losses		-414.839	-1.806.656
Depreciation, amortisation and impairment of intangible assets		-31.250	-31.250
Profit/loss before net financials		-446.089	-1.837.906
Financial costs		-313.278	-247.124
Profit/loss before tax		-759.367	-2.085.030
Tax on profit/loss for the year	2	180.868	442.417
Profit/loss for the year		-578.499	-1.642.613
 Recommended appropriation of profit/loss			
Retained earnings		-578.499	-1.642.613
		-578.499	-1.642.613

Balance sheet 31 May

	Note	2023/24	2022/23
		DKK	DKK
Assets			
Acquired rights		210.938	242.188
Intangible assets	3	210.938	242.188
Total non-current assets		210.938	242.188
Trade receivables		206.000	0
Corporation tax		629.380	844.439
Prepayments		40.638	12.760
Receivables		876.018	857.199
Cash at bank and in hand		2.432.436	644.173
Total current assets		3.308.454	1.501.372
Total assets		3.519.392	1.743.560

Balance sheet 31 May

	Note	2023/24	2022/23
		DKK	DKK
Equity and liabilities			
Share capital		51.606	47.104
Retained earnings		-1.625.835	-2.442.834
Equity		-1.574.229	-2.395.730
Other credit institutions		2.804.713	2.891.861
Total non-current liabilities	4	2.804.713	2.891.861
Short-term part of long-term debet	4	725.241	493.651
Prepayments received from customers		849.035	343.859
Trade payables		5.730	61.282
Other payables		708.902	348.637
Total current liabilities		2.288.908	1.247.429
Total liabilities		5.093.621	4.139.290
Total equity and liabilities		3.519.392	1.743.560
Contingent liabilities	5		

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 June	47.104	0	-2.442.834	-2.395.730
Cash capital increase	4.502	1.395.498	0	1.400.000
Net profit/loss for the year	0	0	-578.499	-578.499
Transfer from share premium account	0	-1.395.498	1.395.498	0
Equity at 31 May	51.606	0	-1.625.835	-1.574.229

Notes

	2023/24	2022/23
	DKK	DKK
1 Staff costs		
Wages and salaries	2.004.286	2.219.884
Other social security costs	33.814	24.049
Other staff costs	112.467	115.431
	2.150.567	2.359.364
Number of fulltime employees on average	3	3
2 Tax on profit/loss for the year		
Current tax for the year	-180.868	-448.512
Adjustment of tax concerning previous years	0	6.095
	-180.868	-442.417
3 Intangible assets		Acquired rights
		DKK
Cost at 1 June		312.500
Additions for the year		0
Cost at 31 May		312.500
AA Impairment losses and amortisation at 1 June		70.312
Depreciation for the year		31.250
AA Impairment losses and amortisation at 31 May		101.562
Carrying amount at 31 May		210.938

Notes

4 Long term debt

	Debt at 1 June	Debt at 31 May	Instalment next year	Debt outstanding after 5 years
	DKK	DKK	DKK	DKK
Other credit institutions	3.385.512	3.529.954	725.241	0
	3.385.512	3.529.954	725.241	0

5 Contingent liabilities

The company has entered into lease obligations amounting to TDKK 33 as of May 31, 2024.

Accounting policies

The annual report of Cleardox ApS for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from services, comprising service contracts and extended warranties relating to products and contracts sold is recognised on a straight-line basis as the services are provided.

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Accounting policies

Other operating income

The item Other operating income includes items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the company is going to be indemnified.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets

Depreciation, amortisation and impairment of intangible assets comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Intangible assets

Acquired rights

Acquired rights are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the term of the licence, however not more than years.

Receivables

Receivables are measured at amortised cost.

Accounting policies

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Income tax and deferred tax

As management company, Cleardox ApS is liable for payment of the subsidiaries' corporate income taxes to the tax authorities.

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Prepayments received from customers

Prepayments received from customers recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.