

SinoLab ApS

Fruebjergvej 3, 2100 København Ø

CVR no. 41 15 56 63

**Annual report for the period
1 January to 31 December 2021**

Adopted at the annual general meeting on 5 July
2022

Jacob Juul-Lou
chairman



Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Management's review	6
Financial statements	
Income statement 1 January - 31 December	7
Balance sheet 31 December	8
Statement of changes in equity	10
Notes	11
Accounting policies	13

Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of SinoLab ApS for the financial year 1 January - 31 December 2021.

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 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

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, 5 July 2022

Executive board

Jacob Juul-Lou

Supervisory board

Jacob Juul-Lou
chairman

Independent auditor's report

To the shareholder of SinoLab ApS

Opinion

We have audited the financial statements of SinoLab ApS for the financial year 1 January - 31 December 2021, 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 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021 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.

Independent auditor's report

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:

- 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.

Independent auditor's report

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.

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, 5 July 2022

Baker Tilly Denmark

Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Peter Aagesen
statsautoriseret revisor
MNE no. mne41287

Company details

The company	SinoLab ApS Fruebjergvej 3 2100 København Ø CVR no.: 41 15 56 63 Reporting period: 1 January - 31 December 2021 Incorporated: 10 February 2020 Domicile: Copenhagen
Supervisory board	Jacob Juul-Lou, chairman
Executive board	Jacob Juul-Lou
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business review

The company's primary activity is to develop digital business models based on chinese mobile marketplaces and other related business.

Financial review

The company's income statement for the year ended 31 December 2021 shows a loss of DKK 2.184.639, and the balance sheet at 31 December 2021 shows equity of DKK 21.024.

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 January - 31 December

	Note	2021	2020
		DKK	DKK
Gross profit		-2.067.262	-170.876
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-32.622	0
Profit/loss before net financials		-2.099.884	-170.876
Financial costs		-46.865	-1.351
Profit/loss before tax		-2.146.749	-172.227
Tax on profit/loss for the year	1	-37.890	37.890
Profit/loss for the year		-2.184.639	-134.337
Distribution of profit			
Transferred to reserve for development expenditure		356.234	0
Retained earnings		-2.540.873	-134.337
		-2.184.639	-134.337

Balance sheet 31 December

	Note	2021 DKK	2020 DKK
Assets			
Completed development projects		456.710	0
Intangible assets	2	456.710	0
Total non-current assets		456.710	0
Raw materials and consumables		378.296	0
Stocks		378.296	0
Other receivables		83.410	25.085
Deferred tax asset		0	37.890
Receivables		83.410	62.975
Cash at bank and in hand		4.490.608	2.154.853
Total current assets		4.952.314	2.217.828
Total assets		5.409.024	2.217.828

Balance sheet 31 December

	Note	2021 DKK	2020 DKK
Equity and liabilities			
Share capital		48.300	48.300
Reserve for development expenditure		356.234	0
Retained earnings		-383.510	2.157.363
Equity		21.024	2.205.663
Other credit institutions		5.373.000	0
Total non-current liabilities	3	5.373.000	0
Trade payables		0	165
Other payables		15.000	12.000
Total current liabilities		15.000	12.165
Total liabilities		5.388.000	12.165
Total equity and liabilities		5.409.024	2.217.828
Contingent liabilities	4		

Statement of changes in equity

	Share capital	Reserve for development expenditure	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	48.300	0	2.157.363	2.205.663
Net profit/loss for the year	0	356.234	-2.540.873	-2.184.639
Equity at 31 December	48.300	356.234	-383.510	21.024

Notes

	2021 DKK	2020 DKK
1 Tax on profit/loss for the year		
Deferred tax for the year	37.890	-37.890
	37.890	-37.890

2 Intangible assets

	Completed development projects DKK
Cost at 1 January	0
Additions for the year	489.332
Cost at 31 December	489.332
Depreciation for the year	32.622
AA Impairment losses and amortisation at 31 December	32.622
Carrying amount at 31 December	456.710

Special assumptions regarding development projects and tax assets

Development costs relates to the development of the company's technological platforms. The projects are proceeding as planned, with ongoing completion over the coming years and management's expectations for their earnings remain positive.

Notes

3 Long term debt

	Debt at 1 January DKK	Debt at 31 December DKK	Instalment next year DKK	Debt outstanding after 5 years DKK
Other credit institutions	0	5.373.000	0	481.312
	0	5.373.000	0	481.312

4 Contingent liabilities

The Company has entered a rental commitment, that can be terminated with a notice of 1 months. The rental commitment has been stated at t.DKK 8.

The company is jointly taxed with its parent company, Miktos ApS, and has limited and secondary liability together with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

Accounting policies

The annual report of SinoLab ApS for 2021 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.

Other external costs

Other external costs include expenses related to sale, advertising, administration, premises, etc.

Accounting policies

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 etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

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.

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually five years.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Accounting policies

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Income tax and deferred tax

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.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

Liabilities, which include other payables, are measured at amortised cost, which is usually equivalent to nominal value.