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BDO Statsautoriseret revisionsaktieselskab
Nørrebro 15
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CVR no. 20 22 26 70

HUMAN BYTES APS
SVANEMØLLEVEJ 65, 1., 2900 HELLERUP
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2022
2ND FINANCIAL YEAR

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 30 May 2023**

Lars Dahl Allerup

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COMPANY DETAILS**Company**

Human Bytes ApS
Svanemøllevej 65, 1.
2900 Hellerup

Website: www.humanbytes.ai

CVR No.: 41 71 96 48

Established: 29 September 2020

Municipality: Copenhagen

Financial Year: 1 January - 31 December

Board of Directors

Lars Dahl Allerup, chairman
Frederik Baastrup
Ulrik Therkildsen
Marie-Louise Little
Steen Werner Hansen

Executive Board

Frederik Baastrup
Ulrik Therkildsen

Auditor

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Nørrebro 15
9800 Hjørring

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Human Bytes ApS for the financial year 1 January - 31 December 2022.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

The Board of Directors and Executive Board remain of the opinion that the conditions for opting out of audit have been fulfilled.

We recommend the Annual Report be approved at the Annual General Meeting.

Hellerup, 30 May 2023

Executive Board

Frederik Baastrup

Ulrik Therkildsen

Board of Directors

Lars Dahl Allerup
Chairman

Frederik Baastrup

Ulrik Therkildsen

Marie-Louise Little

Steen Werner Hansen

AUDITOR ´S REPORT ON COMPILATION OF FINANCIAL INFORMATION

To the Shareholders of Human Bytes ApS

We have compiled these Financial Statements of Human Bytes ApS for the financial year 1 January - 31 December 2022 based on the Company's accounting records and other information provided by Management.

These Financial Statements comprise income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with the International Standard, Compilation Engagements.

We have applied our professional expertise to assist Management in the preparation and presentation of these Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant statutory provisions of the Danish Audit Act and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), including principles of integrity, objectivity, professional behaviour, and due care.

These Financial Statements and the accuracy and completeness of the information used to compile these Financial Statements are Management's responsibility.

Since an engagement to compile financial information is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by Management 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.

Hjørring, 30 May 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Claus Muhlig
State Authorised Public Accountant
MNE no. mne26711

MANAGEMENT COMMENTARY

Principal activities

The company's main activity is sales of software to healthcare in the Nordic countries. The ambition is to improve patient outcome and healthcare economics by introducing advanced technologies, especially artificial intelligence (AI) for healthcare.

Development in activities and financial and economic position

The company has during its second full year of operation focused on expanding the portfolio of world leading AI solutions for healthcare and engage in market dialogues across the Nordic market, to mature the customer readiness for AI and to start building commercial success.

Since the company's first successful installation late 2021 (AI for breast cancer screening in The Capital Region of Denmark), the company has been gaining traction in other parts of Denmark, and in the rest of the Nordics. In 2022, the company raised external capital from T&W Medical A/S with DKK 9M to support and accelerate the growth strategy. Since then, the company has expanded the portfolio with more products, and for some products also the territory (BeNeLux). In the second half of 2022, the company added three FTEs to the sales force in order to accelerate the execution of the growth strategy.

Despite increasing traction and a growing need for AI in healthcare, the sales process is significantly longer than expected which leads to a delay in expected sales. Combined with higher staff costs, the overall financial result of 2022 represents a financial loss which leads to a result below expectations.

Significant events after the end of the financial year

There has been no significant events after the fiscal year has ended, that have any significant impact on the company's financials.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2022 DKK	2021 DKK
GROSS LOSS.....		-1.450.788	23.966
Staff costs.....	1	-3.452.430	-28.615
OPERATING LOSS.....		-4.903.218	-4.649
Other financial expenses.....		-54.245	-10.048
LOSS BEFORE TAX.....		-4.957.463	-14.697
Tax on profit/loss for the year.....		0	0
LOSS FOR THE YEAR.....		-4.957.463	-14.697
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		-4.957.463	-14.697
TOTAL.....		-4.957.463	-14.697

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2022 DKK	2021 DKK
Rent deposit and other receivables.....		66.694	16.800
Financial non-current assets.....	2	66.694	16.800
NON-CURRENT ASSETS.....		66.694	16.800
Prepayments.....		636.430	897.465
Receivables.....		636.430	897.465
Cash and cash equivalents.....		5.490.504	1.349.111
CURRENT ASSETS.....		6.126.934	2.246.576
ASSETS.....		6.193.628	2.263.376
EQUITY AND LIABILITIES			
Share capital.....		53.333	40.000
Retained earnings.....		3.952.371	-14.697
EQUITY.....		4.005.704	25.303
Loan from shareholders.....		0	409.288
Non-current liabilities.....	3	0	409.288
Trade payables.....		42.015	1.082.632
Payables to owners and management.....		421.566	0
Other liabilities.....		856.010	333.520
Deferred income.....		868.333	412.633
Current liabilities.....		2.187.924	1.828.785
LIABILITIES.....		2.187.924	2.238.073
EQUITY AND LIABILITIES.....		6.193.628	2.263.376
Contingencies etc.	4		
Charges and securities	5		

EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2022.....	40.000	-14.697	25.303
Proposed profit allocation.....		-4.957.463	-4.957.463
Transactions with owners			
Capital increase.....	13.333	8.986.667	9.000.000
Cost of capital increase.....		-62.136	-62.136
Equity at 31 December 2022.....	53.333	3.952.371	4.005.704

NOTES

				Note
Staff costs				1
Average number of employees		2	2	
Wages and salaries.....	3.326.570		0	
Pensions.....	68.952		0	
Social security costs.....	2.362		0	
Other staff costs.....	54.546		28.615	
	3.452.430		28.615	
 Financial non-current assets				 2
			Rent deposit and other receivables	
Additions.....			66.694	
Cost at 31 December 2022.....			66.694	
Carrying amount at 31 December 2022.....			66.694	
 Long-term liabilities				 3
	31/12 2022 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2021 total liabilities
Loan from shareholders.....	421.566	421.566	0	409.288
	421.566	421.566	0	409.288
 Contingencies etc.				 4
The company does not have any contingent liabilities.				
 Charges and securities				 5
There are no charges or securities in the company's assets.				

ACCOUNTING POLICIES

The Annual Report of Human Bytes ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Sale of services and licence fee is generally recognised on the basis of a measurable degree of completion, using straight-line recognition of services delivered over time in a regular pattern. Where the degree of completion is not measurable or the sales value or the total costs of completion are uncertain, revenue is recognised by the amount that the enterprise as a maximum believes to have a right to claim and is expected to be received for services delivered at the Balance Sheet date.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of licence fee and other consumables.

Other external expenses

Other external expenses include other sales and administrative costs, including costs of marketing, premises etc

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees.

Financial income and expenses

Financial income and expenses include interest income and expenses, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

BALANCE SHEET

Financial non-current assets

Deposits include rental deposits which are recognised and measured at cost. Deposits are not depreciated.

ACCOUNTING POLICIES

Impairment of fixed assets

The carrying amount of fixed assets, which are not measured at fair value, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

Accruals, liabilities

Accruals recognised as liabilities include payments received regarding income in subsequent years.