

Registered number: 36548681

CluedIn ApS

**Annual Report and Financial Statements
for the year ended 30 June 2022**

The annual General Meeting adopted the annual report on

1 November 2022

Timothy Daniel Ward
Chairman of the General Meeting

Table of Contents

	Page
Company information	1
Statement by management	2
Independent auditor's report	3
Management commentary	6
Consolidated Income Statement	7
Consolidated Balance Sheet	8
Consolidated Statement of changes in equity	9
Consolidated Statement of cash flow statement	10
Notes to the Group financial statements	11
Company Income Statement	32
Company Balance Sheet	33
Company Statement of changes in equity	34
Company Statement of cash flow statement	35
Notes to the Company financial statements	36

CluedIn ApS

Company information

Management	Timothy Daniel Ward
Directors	Timothy Daniel Ward Martin Sixhøj Hyldahl Pierre Ghislain Derval Mina Mutafchieva
Registered Office	Kay Fiskers Plads 10 2300 København S Denmark
Independent Auditor	Deloitte Statsautoriseret Revisionspartnerselskab Værkmestergade 2, 18. 800 Aarhus C Denmark
CVR Number	36548681
Financial year	30 June 2022

CluedIn ApS

Statement by Management For the year ended 30 June 2022

The Board of Directors and the Executive Board have today considered and approved the annual report of CluedIn ApS for the financial year 01.07.2021 - 30.06.2022.

The annual report is presented in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at and of the results of its operations for the financial year 01.07.2021 - 30.06.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 1 November 2022

Executive Board

Timothy Daniel Ward

Board of Directors

Martin Sixhøj Hyldahl

Timothy Daniel Ward

Pierre Ghislain Derval

Mina Mutafchieva

Independent auditor's report to the members of CluedIn ApS

To the shareholders of CluedIn ApS

Opinion

We have audited the consolidated financial statements and the Parent company financial statements of CluedIn ApS for the financial year 01.07.2021 – 30.06.2022, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, statement of cash flows and notes, including a summary of significant accounting policies for the Group and the Parent Company. The financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and Parent Company's financial position at 30.06.2022 and of the results of the Group's and Parent Company's operations and cash flows for the financial year 01.07.2021 – 30.06.2022 in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 consolidated financial statements and the parent financial statements

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

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

Independent auditor's report to the members of CluedIn ApS (continued)

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 to the members of CluedIn ApS (continued)

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the International Financial Reporting Standards.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the International Financial Reporting Standards. We did not identify any material misstatement of the management commentary.

Date:

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Fauerskov

State Authorised Public Accountant
Identification No (MNE) mne35428

Sune Pagh Sølvsteen

State Authorised Public Accountant
Identification No (MNE) mne47819

Management Commentary

For the year ended 30 June 2022

Primary activities

The Group's purpose is the development and licensing of an enterprise, cloud-native Master Data Management platform, delivering value to customers by providing integrated, high-quality, governed and enriched data to any part of their business in an agile way, eliminating lengthy upfront projects, and accelerating returns on investment.

Development in activities and finances

The Group's income statement for the year ended 30 June 2022 shows a loss of USD \$4,924k and the balance sheet at 30 June 2022 shows equity of USD \$10,893k.

Following the \$15m Series A investment in April 2021, the group has focused on its investment in its people and product. This has seen the average headcount increase 153.8% in the year (note 8), this includes key strategic hires in the commercial and finance teams as the Group is establishing the core team to focus on growth. The increase in headcount has also enabled the Group to accelerate the development of its product as capitalised development costs have also increased by 152.4% (note 11). As the product has developed over the year and its features enhanced the client base has followed, the Group has seen an increase in revenue of 61.6% year on year (note 5).

Description of material changes in activities and finances

Changes to accounting policies

Following the Group's adoption of International Financial Reporting Standards (IFRS), the group has changed the following accounting policies, Revenue (see note 2), Share based payments (see note 2), Leases (see note 2) and capitalisation of development projects (see note 2 and 3).

Change of functional currency

At the same time of adopting the new reporting standards, management considered its functional currency, and following a review of its sales process, supplier costs, asset base and internal reporting metrics it was agreed that this be changed to United States Dollars (USD) as the most appropriate currency for the Group.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

CluedIn ApS

Consolidated Income Statement For the year ended 30 June 2022

	Note	2021/22 \$000	2020/21 \$000
Revenue	5	1,763	1,091
Cost of sales		(121)	-
Gross profit		1,642	1,091
Staff costs	8	(3,726)	(931)
Other external expenses		(2,639)	(904)
Depreciation	11, 12	(217)	(85)
Operating loss		(4,940)	(829)
Finance income		-	31
Finance costs	9	(58)	(28)
Loss before tax		(4,998)	(826)
Tax on loss	10	310	136
Loss for the year	6	(4,688)	(690)
Other comprehensive income			
Exchange differences on translation of foreign operations		(236)	(26)
Total comprehensive income for the year		(4,924)	(716)

The above results were derived from continuing operations.

Translation reserve:

Items of other comprehensive income classified by nature and grouped into those that, in accordance with other IFRSs: (ii) will be reclassified subsequently to profit or loss when specific conditions are met.

CluedIn ApS

Consolidated Balance Sheet As at 30 June 2022

		2021/22	2020/21
	Note	\$000	\$000
Fixed assets			
Intangible assets	11	2,521	1,290
Tangible assets	12	90	29
Other receivables	14	-	10
Receivables: amounts falling due greater than one year		2,611	1,329
Current assets			
Receivables: amounts falling due within one year	15	1,496	647
Cash & cash equivalents		9,099	14,620
		10,595	15,267
Total assets		13,206	16,596
Current liabilities			
Payables: amounts falling due within one year	16	2,147	778
Non-current liabilities			
Payables: amounts falling due greater than one year	17	166	-
Total liabilities		2,313	788
Net Assets		10,893	15,817
Capital and reserves			
Share capital	19	15	15
Share premium reserve	20	15,859	15,859
Other reserves	20	(96)	(96)
Retained earnings	20	(4,885)	39
Total equity		10,893	15,817

Consolidated Statement of changes in equity
For the year ended 30 June 2022

	Share capital \$ 000	Share premium \$ 000	Other reserves \$ 000	Currency gain/loss reserve \$ 000	Retained earnings/ (deficit) \$ 000	Total \$ 000
At 1 July 2020	11	-	-	-	755	766
Net loss for the period	-	-	-	(26)	(690)	(716)
Foreign exchange on conversion	-	-	(96)	-	-	(96)
Total comprehensive income for the year	11	-	(96)	(26)	65	(46)
Transactions with owners						
Capital increase	4	15,859	-	-	-	15,863
Transaction costs	-	-	-	-	-	-
Total transactions with owners	4	15,859	-	-	-	15,863
At 30 June 2021	15	15,859	(96)	(26)	65	15,817
Total comprehensive income	-	-	-	(236)	(4,688)	(4,924)
At 30 June 2022	15	15,859	(96)	(262)	(4,623)	10,893
Paid in capital (historic)						
	No.	Share capital \$ 000	Share premium \$ 000	Total paid in capital \$ 000		
Deposit capital	50,000	8	-	8		
Capital increase	43,994	7	16,908	16,915		
Capital decrease	-	-	-	-		
Share capital at 30 June 2022		93,994	15	16,908		

Consolidated Cash flow statement
For the year ended 30 June 2022

	Note	2021/22 \$'000	2020/21 \$'000
Cash flows from operating activities			
Loss before tax		(4,998)	(826)
Adjustments for			
Depreciation	12	37	7
Amortisation	11	180	78
Share based payment charge		-	-
Operating cash flows before movement in working capital		(4,781)	(741)
(Increase)/decrease in trade and other receivables	15	(913)	(202)
Increase/(decrease) in trade and other payables	16	1,347	213
Increase/(decrease) in payables greater than 1 year	17	166	-
Cash inflows from operating activities		600	11
Tax received	15	96	40
Net cash from operating activities		(4,085)	(690)
Cash flows from investing activities			
Acquisition of intangible assets	11	(1,411)	(636)
Acquisition of property, plant & equipment	12	(98)	(8)
Net cash used in investing activities		(1,509)	(644)
Cash flows from financing activities			
Proceeds from issue of shares net of transaction costs		-	15,859
Settlement of debts		-	(876)
Net cash used in financing activities		-	14,948
Effect of foreign exchange rate change		73	-
Net increase/(decrease) in cash & cash equivalents		(5,521)	13,649
Cash & cash equivalents at 1 July		14,620	971
Cash & cash equivalents at 30 June		9,099	14,620

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

1. General information

Reporting class

This annual report has been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

For all periods up to and including the year ended 30 June 2021, the Group prepared its financial statements in accordance with local generally accepted accounting principles (Danish GAAP). These financial statements for the year ended 30 June 2022 are the first the Group has prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act (see note 2.2).

The accounting policies applied to these consolidated financial statements and parent financial statements are new in the year and therefore a restatement has been made to the comparative figures so that they are under the same consistent standards. These financial statements are presented in United States Dollars because that is the currency of the primary economic environment in which the company operates and is the company's functional currency. Amounts are presented rounded to the nearest thousand.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Liquidity

The Group has net current assets of \$8,448k as at 30 June 2022 (30 June 2021: \$14,489k) as set out in the balance sheet on page 8.

The Group is going concern

In assessing whether the going concern basis is appropriate, the directors take into account all available information about the future including financial forecasts up to and including 31 March 2024, which is at least 12 months from the date of the approval of these financial statements. The directors have performed this review at a company level and have also performed a review for the entire group and have concluded that it does not impact the going concern of the business and the directors are satisfied the group has sufficient ability to fulfil its obligations under the parental support arrangement based on the available resources. Thus, they continue to adopt the going concern basis in preparing these financial statements.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

2. Adoption of new and revised Standards

Measurement convention

The financial statements are prepared on the historical cost basis.

First-time adoption of IFRS

These financial statements, for the year ended 30 June 2022, are the first the Group has prepared in accordance with IFRS. For periods up to and including the year ended 30 June 2021, the Group prepared its financial statements in accordance with local generally accepted accounting principles (Danish GAAP) and on a non-consolidated basis.

Accordingly, the Group has prepared financial statements that comply with IFRS applicable as at 30 June 2022, together with the comparative period data for the year ended 30 June 2021, as described in the summary of significant accounting policies. In preparing the financial statements, the Group's opening statement of financial position was prepared as at 1 July 2020, the Group's date of transition to IFRS. This note explains the principal adjustments made by the Group in restating its Danish GAAP financial statements, including the statement of financial position as at 1 July 2020 and the financial statements as of, and for, the year ended 30 June 2021.

As a result of first-time adoption of IFRS, the Group has changed its accounting policies for recognition of share-based payments, finalised development projects and leases. The Group has adjusted for the changes in accounting policies in the opening balance of equity at 1 July 2020.

Changing the functional currency for IFRS reporting from DKK to USD

Following the provisions of the International Financial Reporting Standards (IFRS) CluedIn ApS has changed its functional currency from Danish Krone (DKK) to United States Dollars (USD) as of 1st July 2020. The rate for translating its Balance sheet from DKK to USD has been fixed at DKK/USD 0.150744 for 1 July 2020, an average rate of 0.1552345 for the Income statement 2020/21 and 0.15948 for the Balance sheet dated 30 June 2021.

The IFRS foresee in their relevant provisions (IAS 21) that the functional currency of a company is determined by the primary economic environment in which the company operates. In 2021, the Management of CluedIn ApS indicated that the market environment in which CluedIn ApS operates had changed since the company formed in the year 2015 and that going forward USD will be the functional currency used by CluedIn ApS.

The change has been triggered by the following determining factors:

- Sales activities are conducted with customers based off a USD price list which is consistent with market competitors.
- Internal and investment reporting is conducted in USD.
- The Group's investment round was in USD.
- The Group's cash and asset base is predominantly held in USD.
- The Group's procurement is heavily weighted in USD.

CluedIn ApS

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

2. Adoption of new and revised Standards (continued)

Group reconciliation of equity as at 1 July 2020 (date of transition to IFRS)

	Local GAAP	Recognition, reclassification and remeasurements	1 July 2020
	\$'000	\$'000	\$'000
Non-current assets			
Intangible assets (a)	-	731	731
Tangible assets	10	-	10
Other receivables	9	-	9
	<hr/>	<hr/>	<hr/>
	19	731	750
Current assets			
Receivables under one year	486	-	486
Cash & cash equivalents	971	-	971
	<hr/>	<hr/>	<hr/>
	1,457	-	1,457
Total assets	1,476	731	2,207
Current liabilities			
Payables under one year	565	-	565
	<hr/>	<hr/>	<hr/>
	565	-	565
Non-current liabilities			
Loans & borrowings	876	-	876
	<hr/>	<hr/>	<hr/>
	876	-	876
Total liabilities	1,441	-	1,441
Net Assets	<hr/>	<hr/>	<hr/>
	35	731	766
Equity			
Share capital	11	-	11
Retained earnings (a)	24	731	755
	<hr/>	<hr/>	<hr/>
Total equity	35	731	766

(a) This adjustment was recognised to align the new capitalisation of development costs accounting policy amounted to \$731,000.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

2. Adoption of new and revised Standards (continued)

Group reconciliation of equity as at 30 June 2021

	Local GAAP	Recognition, reclassification and remeasurements	30 June 2021
	\$'000	\$'000	\$'000
Non-current assets			
Intangible assets (a)	-	1,290	1,290
Tangible assets	29	-	29
Other receivables	10	-	10
	<hr/>	<hr/>	<hr/>
	39	1,290	1,329
Current assets			
Receivables under one year (b)	712	(65)	647
Cash & cash equivalents	14,620	-	14,620
	<hr/>	<hr/>	<hr/>
	15,332	(65)	15,267
Total assets	15,371	1,225	16,596
Current liabilities			
Payables under one year (b)	814	(36)	778
	<hr/>	<hr/>	<hr/>
	814	(36)	778
Non-current liabilities			
Payables greater than one year	-	-	-
Total liabilities	814	(36)	778
Net Assets	<hr/>	<hr/>	<hr/>
	14,557	1,260	15,817
Equity			
Share capital	15	-	15
Share premium (c)	-	15,859	15,859
Retained earnings (a, b + c)	14,542	(14,503)	39
Foreign exchange reserve (d)	-	(96)	(96)
Total equity	<hr/>	<hr/>	<hr/>
	14,557	1,260	15,817

(a) This adjustment was recognised to align the new capitalisation of development costs accounting policy, these costs amounted to \$1,290,000 (2020/21 - \$559,000 and 2019/20 - \$731,000).

(b) This adjustment was recognised to align with the revenue accounting policy, the group had previously recognised gross revenue of \$65,000 before deferring \$36,000 at the balance sheet date, this has been reversed.

(c) The premium on share issuance in April 2021, has been reclassified as Share premium rather than Retained earnings and this amounted to \$15,859,000.

(d) The amount of \$96,000 was recognised as a one time conversion for the opening balance sheet on adoption of USD as the presentational currency of the group.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

2. Adoption of new and revised Standards (continued)

Group reconciliation of total Comprehensive Income for the year ended 30 June 2021

	Local GAAP	Reclassification and remeasurements	1 July 2020
	\$'000	\$'000	\$'000
Revenue	1,092	(1)	1,091
Cost of sales	-	-	-
Gross profit	1,092	(1)	1,091
Salary costs	(931)	-	(931)
Other external expenses (a)	(1,512)	608	(904)
Depreciation (a)	(7)	(78)	(85)
Operating loss	(1,358)	529	(829)
Finance costs	(28)	-	(28)
Finance income	31	-	31
Loss before tax	(1,355)	529	(826)
Tax (expense)/credit	136	-	136
Loss for the year	(1,219)	529	(690)
Other comprehensive income			
Exchange differences on translation of foreign transactions (b)	-	(26)	(26)
Total comprehensive income	(1,219)	503	(716)

(a) This adjustment was recognised to align the new capitalisation of development costs accounting policy, these costs amounted to \$637,000, the adjustment in part (a), offset by amortisation of \$78,000 to reflect the amortisation for the year and payroll taxes of \$29,000.

(b) This adjustment is part of the functional currency and consolidation adjustments in the year of transition amounting to \$26,000.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures. The Group adopted IFRS 15 using the modified retrospective (cumulative effect) method of adoption meaning comparative figures remained unchanged.

There was no impact to the current or comparative year Statement of Comprehensive Income or Balance Sheet as the Group treated revenue in the prior year in line with IFRS 15 ahead of the full IFRS adoption.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

2.2 New and revised IFRS Standards adopted by the EU in issue but not yet effective

At the date of authorisation of these financial statements, The Group has not applied the following new standard and amendments to the existing Standards that have been issued and adopted by the EU but are not yet effective in the EU:

IFRS 17 (including the June 2020 Amendments to IFRS 17)	<i>Insurance Contracts</i>	Effective from 1.1.2023
Amendments to IFRS 3 <i>Business Combinations</i>	<i>Reference to the Conceptual Framework</i>	Effective from 1.1.2022
Amendments to IAS 16 Property, Plant and Equipment	<i>Proceeds before Intended Use</i>	Effective from 1.1.2022
Amendments to IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i>	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>	Effective from 1.1.2022
Annual Improvements to IFRS Standards 2018-2020 Cycle	<i>Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases and IAS 41 Agriculture</i>	Effective from 1.1.2022
Amendments to IAS 1 <i>Presentation of Financial Statements</i>	<i>Classification of Liabilities as Current or Non-current</i>	Effective from 1.1.2023
Amendments to IAS 1 <i>Presentation of Financial Statements and IFRS Practice Statement 2</i>	<i>Disclosure of Accounting policies</i>	Effective from 1.1.2023
Amendments to IAS 8 <i>Accounting policies</i>	<i>Changes in Accounting Estimates and Errors: Definition of Accounting Estimates</i>	Effective from 1.1.2023
Amendments to IAS 12 <i>Income Taxes</i>	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	Effective from 1.1.2023
Amendments to IFRS 16	<i>Sale and lease back</i>	Effective from 1.1.2024

The directors do not expect that the adoption of the amendments to the existing Standards listed above will have a material impact on the consolidated financial statements of the Group in future periods.

3. Accounting policies

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Foreign currencies

The financial statements are presented in United States Dollars, which is the currency of the primary economic environment in which the company operates (its functional currency – see note 2 for more details).

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

3. Accounting policies (Continued)

Foreign currencies (continued)

Transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in the income statement in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

When recognising foreign subsidiaries that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Revenue recognition

The Group recognises revenue from license revenue, consulting and maintenance/support. Revenue is recognised when a contract exists between the Group and a customer that creates enforceable rights and obligations between the parties, has commercial substance and identifies payment terms, usually 30 days but dependent on local norms. Upon delivery of the promised products or services to the customer for an amount that reflects the consideration we expect to receive in exchange for those products or services while it is probable that the consideration will be collected. We enter into contracts that can include various combinations of products and services, which may be capable of being distinct and accounted for as separate performance obligations, which would be recognised over the duration of the respective performance obligations, or not distinct and therefore accounted for as a single performance obligation.

License revenue

The Group previously recorded license revenue over the length of the contract term. Upon adoption of IFRS 15, the Group continues to recognise revenue over the period in which the performance obligations are satisfied, which is generally over the contractual term. Contractual terms are a minimum term of 12 months and are often for multiple years. The Group takes the transaction price of the license revenue and defers it over the license period until it expires or is terminated.

Consulting revenue

Consulting revenue primarily consists of service hours which can include implementation, customer success and bespoke projects. Consideration is recorded at the time of sale and revenue is recorded over the period in which the performance obligations are satisfied, this is generally in line with hours delivered on a time and material basis, and are usually for 12 months or less. No fixed price projects were made in the reporting period.

Revenue is recognised in accordance with IFRS 15 'Revenue from Contracts with Customers'.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

3. Accounting policies (Continued)

Cost to obtain a contract

The Group pays sales commission to its employees and potentially its partners for contracts that they obtain for the sale of licenses. The Group applies the optional practical expedient to immediately expense costs to obtain a contract if the amortisation period of the asset that would have been recognised is one year or less. As such, sales commissions are immediately recognised as an expense and included as part of employee benefits.

Cost of sales

Costs of sales, such as partner commissions if applicable, are the direct costs we incur in connection with selling an incremental product or service to our customers. Substantially all cost of revenue relates to service revenue, if we pay any costs directly attributable to a license then we will recognise the costs of the term of fulfilment of our customer contracts.

Depreciation

Depreciation is recognised to write off the cost of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

Asset class	Depreciation method and rate
-------------	------------------------------

Intangible assets – Finalised development project	10 years
---	----------

Tangible Assets	3 years
-----------------	---------

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Other financial income

Other financial income comprises interest income, including net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

3. Accounting policies (Continued)

Tax

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. The Company's asset for current tax is calculated using the Danish tax credit schemes available during the reporting period using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is recognised on an undiscounted basis.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the undiscounted tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

3. Accounting policies (Continued)

Intangible assets – Finalised development projects

Finalised development projects includes acquired intellectual property rights and comprise software development. Intellectual property rights acquired are measured at cost less accumulated amortisation. Intellectual property rights etc are written down at the lower of recoverable amount and carrying amount.

Tangible assets – Fixtures, fittings and office equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Estimated useful lives and residual values are reassessed annually. Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Impairment of tangible and intangible assets

At each balance sheet date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

3. Accounting policies (Continued)

Right-of-use assets and lease liabilities

The Company is a party to lease contracts for buildings and leases are recognised, measured and presented in line with IFRS 16 'Leases'.

Based on the accounting policy applied the Company would recognise a right-of-use asset and a lease liability at the commencement date of the contract for all leases conveying the right to control the use of an identified assets for a period of time. The commencement date is the date on which a lessor makes an underlying asset available for use by a lessee.

After the commencement date the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

Short-term leases

The company has selected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term as the leases held are all in relation to rent of office space.

All leases fall under the exception for short-term leases, therefore neither right-of use asset nor lease liabilities were capitalised.

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Defined contribution pension obligation

The company contributes to the personal pension schemes of certain employees. Amounts charged in the income statement represent amounts payable in the period.

Trade and other receivables

Trade and other receivables are amounts due from customers for licenses sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised at amortised cost, less provision for impairment.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

3. Accounting policies (Continued)

Trade and other receivables (continued)

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Contract liabilities

A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Share based payment

Equity Settled Options

The parent company issues equity-settled share-based payments to certain employees. The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award.

According to Danish Financial Statements Act there is no requirement for recognition and measurement on equity-settled programs. Following the adoption of IFRS, IFRS 2 requires that the warrant programs should be recognised at fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 21 Share-based payments. An additional expense of \$0k has been recognised in profit or loss for the year ended 30 June 2021.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

3. Accounting policies (Continued)

Equity Settled Options (continued)

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market vesting conditions and of the number of equity instruments that will ultimately vest. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity. Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period.

In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification.

Where an equity-settled award is cancelled (including when a non-vesting condition within the control of the entity or employee is not met), it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the income statement for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the income statement.

The company applies the accelerated vesting attribution method to recognise equity-based compensation expense. The company recognise the expense separately for each vesting tranche. The company also estimates when and if performance-based awards will be earned. If an award is not considered probable of being earned, no amount of expense is recognised. If the award is deemed probable of being earned, the expense is recorded over the estimated service period.

The group have considered using the Black-Scholes option pricing model but believe that par value of the shares is a more appropriate valuation model with no risk-free interest rate or volatility variables.

All options granted will be eligible to be exercised as long as the following vesting conditions are satisfied:

- 25% will vest on the one-year anniversary of the vest begin date and the remaining 75% will vest in 36 equal, monthly instalments thereafter
- Subject to continuous employment with the Company
- Exercise price of DKK 369.38

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated from loss before tax adjusted for non-cash operating items, working capital changes and taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

2. Accounting policies (Continued)

Cash flow statement (continued)

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short term bank loans.

4. Critical accounting judgements and key source of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form a basis for making the judgements about the carrying value of assets and liabilities that are not readily apparent from other sources.

The directors have reviewed the estimates and assumptions used in the preparation of the financial statements. The directors do not believe that there is a significant risk which would lead to material adjustments to the carrying value of any assets and liabilities in the next financial year due to the changes on the estimates or assumptions.

Development costs

The Group capitalises costs for software development projects. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, Management makes assumptions regarding the expected future cash generation of the project and the expected period of benefits. At 30 June 2022, the carrying amount of capitalised development costs was \$2,521k (PY: \$1,290k).

5. Revenue

The analysis of the company's turnover is as follows:

	2021/22	2020/21
	\$'000	\$'000
License	1,256	832
Consulting	507	259
	1,763	1,091

Geographical information

The Group's revenue from external customers by geographical location are detailed below:

	2021/22	2020/21
EMEA	81%	94%
APAC	11%	5%
Rest of the world	8%	1%

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

6. Loss for the year

Loss for the year has been arrived at after charging/(crediting):

	2021/22	2020/21
	\$'000	\$'000
Net foreign exchange losses/(gain)	164	-
Depreciation	37	7
Amortisation	180	78

7. Auditor's remuneration

Fees payable to Deloitte and their associates for the audit of the company's annual accounts were \$31,011 (2021: \$6,171).

8. Staff costs

	2021/22	2020/21
	\$'000	\$'000
Salary costs	2,764	775
Social security costs	137	73
Pension	188	12
Other staff costs	637	71
Total	3,726	931
Capitalised development costs	872	134
Total staff costs	4,598	1,065

Average number of employees during the year	33	13
---	----	----

8.2 Key management personnel

	2021/22	2020/21
Remunerated Directors	2	2

The aggregate payroll costs of these persons were as follows:

	\$'000	\$'000
Wages and salaries	314	264
Pension	30	26

None of the Directors were issued share options therefore there is no share-based payment charge.

Notes to the Group financial statements (continued)
For the year ended 30 June 2022

9. Finance Costs

	2021/22	2020/21
	\$'000	\$'000
Interest costs	<u>58</u>	<u>28</u>
	58	28

10. Tax on loss

	2021/22	2020/21
	\$ 000	\$ 000
Tax		
Tax credit scheme in DK	310	137
Deferred tax (not recognised)	1,085	122

11. Intangible assets

	Finalised development projects \$'000
Cost	
At 1 July 2021	1,418
Additions	1,411
At 30 June 2022	<u>2,829</u>
Amortisation	
At 1 July 2021	128
Amortisation charge	180
At 30 June 2022	<u>308</u>
Carrying value	
At 30 June 2022	<u>2,521</u>
At 30 June 2021	1,290

Completed development projects comprise software development costs related to development of the existing software platform. The software is under continuous development for the use of customers and is sold as a license to access the software for a contracted period. Customers have access to upgrades and new functionality throughout the contracted period.

Development costs for the year cover the front and back-end of the software solution. Both parts to increase the user experience and functionalities within the software in order to increase the Group's revenue by maintaining existing and acquiring new customers.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

12. Tangible assets

	Other fixtures, fittings, tools and equipment \$'000
Cost	
At 1 July 2021	38
Additions	98
At 30 June 2022	136
Depreciation	
At 1 July 2021	9
Depreciation charge	37
At 30 June 2022	46
Carrying value	
At 30 June 2022	90
At 30 June 2021	29

13. Group undertakings

The Group has the following investments in trading subsidiaries included in the consolidated results for the year. The operating subsidiaries are engaged in reselling the Intellectual property the Group holds. Additionally, the Group has a subsidiary that is dormant.

Name	Country of incorporation	Registered Office	Principal activity	Ownership (%)
<i>Directly held</i>				
CluedIn Australia Pty Ltd	Australia	a	Software re-seller	100
CluedIn UK LTD	UK	b	Software re-seller	100
Den Socialøkonomiske Virksomhed Lend a Hand ApS	Denmark		Dormant	100

Registered Office

Unless otherwise referenced the registered office of the company's subsidiaries is: 10 Fiskers Key, Copenhagen S 2300, Denmark.

- a. GPO Box 2168, Brisbane, Queensland, 4001, Australia
- b. 2nd Floor, 5 Pritchard Street, Bristol, BS2 8RH, United Kingdom

14. Receivables: amounts falling greater than one year

	2021/22 \$'000	2020/21 \$'000
Prepayments and Other receivables	-	10
	-	10

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

15. Receivables: amounts falling due within one year

	2021/22	2020/21
	\$'000	\$'000
Trade receivables	821	411
Expected credit loss allowance	-	-
Tax receivable	440	226
Prepayments and Other receivables	235	10
	1,496	647

The group has achieved no credit loss in the reporting period which translates into a nil allowance at the end of the reporting period.

16. Payables: amounts falling due within one year

	Note	2021/22	2020/21
		\$'000	\$'000
Trade payables		244	38
Accrued expenses and other liabilities		808	278
Contract liabilities	18	1,095	463
		2,147	778

Within accrued expenses and other liabilities is a balance of \$nil (2021: \$nil) for short term leases. Within the reporting period total cash outflows totalling \$89,000 (2021: \$72,000) were made in respect of short-term leases.

17. Payables: amounts falling due greater than one year

	Note	2021/22	2020/21
		\$'000	\$'000
Contract liabilities	18	166	-
		166	-

18. Contract liabilities

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) is, as follows:

	2021/22	2020/21
	\$'000	\$'000
Within one year	1,095	463
More than one year	166	-
	1,261	463

The remaining performance obligations expected to be recognised in more than one year relate to the delivery of CluedIn licenses.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

19. Share capital

Allotted, called-up and fully paid shares

	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	No.	\$ 000	No.	\$ 000
Ordinary B shares of kr.1 each	72,968	12	72,968	12
Series A – preferred shares of kr. 1 each	21,026	3	21,026	3
Total	93,994	15	93,994	15

A and B shares are voting shares and shall rank pari passu in respect of all voting rights. The holders of the A and B shares shall have no fixed entitlement to a dividend but shall be entitled to such dividend as the directors may specifically declare in respect of the participating shares. In the event of an exit the following rules apply: in the event of a sale or an IPO (each defined in the articles), or of an IPO in the shares in CluedIn ApS ("CluedIn") or the sale of a controlling stake in CluedIn then the holders of the Series A shares shall exchange their shares 1:1 for Ordinary B shares.

20. Reserves

Share Premium

This represents amounts paid in excess of the par value of Series A – preferred shares.

Retained earnings

The retained earnings account represents cumulative profits or losses, including unrealised profit on the remeasurement of investment properties, net of dividends paid and other adjustments.

Foreign Currency translation reserve (allocated within retained earnings)

A foreign currency translation reserve exists following the business combination of the group subsidiaries CluedIn Australia Pty Ltd and CluedIn UK LTD. This consists of the exchange differences that arise on the translation on overseas net assets. The cumulative foreign currency translation reserve is reclassified to profit or loss on disposal of the specific foreign operations.

Other reserves

Upon adoption of US Dollar as the functional currency for the Group there was a one-off translation loss. This reserve is a permanent effect of the transition to a new functional currency and will remain indefinitely not to be distributed.

Capital risk management

The Group manages its capital to ensure that activities of the Group will be able to continue as a going concern whilst maximising returns for shareholders through the optimisation of debt and equity.

	2021/22	2020/21
	\$'000	\$'000
Net debt	-	-
Equity	10,583	15,817

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

20. Reserves (continued)

Net debt comprises cash and cash equivalents net of bank loans, borrowings and leases. Following the adoption of IFRS 16 net debt remains unchanged. As the Group has no external borrowings there is no immediate interest rate risk.

The Group prepares annual cash flow forecasts reflecting known commitments and anticipated projects. The Group has available bank facilities, sufficient cash flow to fund present commitments. These funds are utilised to fund capital expenditure and short-term flexibility is achieved by the utilisation of cash resources in respect of financial liabilities.

Credit risk is when a counterparty will not meet its obligations towards the Group, leading to a financial loss. The group is exposed to credit risk primarily related to its trade and other receivables. The group assesses a default on a customer by customer basis due to the nature of its sales (note 15).

21. Share based payments

Equity-settled share option plan

The Company has a share option plan for specific employees of the Group in 2017. In accordance with the terms of the plan, as approved by shareholders at a previous annual general meeting, those employees may be granted options to purchase ordinary shares.

Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is calculated in accordance with the length of service approved by shareholders at the previous annual general meeting.

Options are exercisable at a price pre-scribed in the agreement at the date of grant. The vesting period is four years. If the options remain unexercised after a period of five years from the date of grant the options expire. After the first anniversary of the grant, options are earned on a pro-rata basis and any pro-rata unearned options are forfeited if the employee leaves the Group before the options vest.

Details of the share options outstanding during the year are as follows.

Stock Options

	2021/22 No.	2021/22 Weighted Avg remaining contractual life	Total Expense 2021/22 \$'000
Outstanding at 30 June 2021	626	-	-
Granted	-	-	-
Outstanding at 30 June 2022	<u>626</u>	<u>-</u>	<u>-</u>

The group have considered using the Black-Scholes option pricing model but believe that par value of the shares is a more appropriate valuation model with no risk-free interest rate or volatility variables.

Notes to the Group financial statements (continued)

For the year ended 30 June 2022

21. Share based payments (continued)

All options granted will be eligible to be exercised as long as the following vesting conditions are satisfied:

- 25% will vest on the one-year anniversary of the vest begin date and the remaining 75% will vest in 36 equal, monthly instalments thereafter
- Subject to continuous employment with the Company

22. Related party transactions

During the year, payments were made to P Derval, a shareholder of CluedIn ApS via Dervel Holdings ApS, amounting to \$149,598 (2021 - \$149,597) for his consulting services, these charges were considered by management to be at an arm's length, market rate.

All other related party transactions are covered in note 41.

23. Commitments

	2021/22	2020/21
	\$'000	\$'000
Within one year	29	17
Greater than one year but less than five years	-	-

Commitments are in relation to the short-term rental agreements held by the Group.

24. Ultimate parent of the group

The ultimate parent of the group is CluedIn ApS.

25. Controlling interest

The directors are of the view that there is no controlling party.

26. Post balance sheet events

From the Statement of financial position date until the signing date, no further matters, which would influence the evaluation of the Annual Report has occurred.

CluedIn ApS

Company Income Statement

For the year ended 30 June 2022

	Note	2021/22 \$000	2020/21 \$000
Revenue	29	1,996	1,040
Cost of sales		(55)	-
Gross profit		1,941	1,040
Salary costs	31	(1,886)	(689)
Other external expenses		(5,134)	(799)
Depreciation	34, 35	(195)	(85)
Operating loss		(5,274)	(533)
Finance income		-	31
Finance costs	32	(7)	(28)
Loss before tax		(5,281)	(530)
Tax on loss	33	310	137
Loss for the year	30	(4,971)	(393)
Unrealised foreign exchange loss		(166)	(24)
Total comprehensive income		(5,137)	(417)

The above results were derived from continuing operations.

Translation reserve:

Items of other comprehensive income classified by nature and grouped into those that, in accordance with other IFRSs: (ii) will be reclassified subsequently to profit or loss when specific conditions are met.

CluedIn ApS

Company Balance Sheet

As at 30 June 2022

		30th June 2022 \$000	30th June 2021 \$000
Fixed assets			
Investments	36	7	7
Intangible assets	34	2,521	1,290
Tangible assets	35	42	11
Receivables: amounts falling greater than one year	37	-	10
		<hr/> 2,570	<hr/> 1,318
Current assets			
Receivables: amounts falling due within one year	38	1,495	1,074
Cash & cash equivalents		8,955	14,367
		<hr/> 10,450	<hr/> 15,441
Total assets		13,020	16,759
Current liabilities			
Payables: amounts falling due within one year	39	1,875	643
Non-current liabilities			
Payables: amounts falling due greater than one year	40	166	-
Total liabilities		2,041	643
Net assets		<hr/> 10,979	<hr/> 16,116
Capital and reserves			
Share capital	42	15	15
Share premium reserve	20	15,859	15,859
Other reserves	20	(96)	(96)
Reserve for capitalised development costs	28	1,966	1,006
Retained earnings	20	(6,575)	(644)
Total equity		<hr/> 10,979	<hr/> 16,116

Company Statement of changes in equity
For the year ended 30 June 2022

	Share capital \$ 000	Share premium \$ 000	Other reserves \$ 000	Currency gain/loss reserve \$ 000	Reserve for capitalised development costs \$ 000	Retained earnings/(deficit) \$ 000	Total \$ 000
At 1 July 2020	11	-	-	-	570	185	766
Net loss for the period	-	-	-	(24)	436	(829)	(417)
Foreign exchange on conversion	-	-	(96)	-	-	-	(96)
Total comprehensive income for the year	11	-	(96)	(24)	1,006	(644)	(253)
Transactions with owners							
Capital increase	4	15,859	-	-	-	-	15,863
Transaction costs	-	-	-	-	-	-	-
Total transactions with owners	4	15,859	-	-	-	-	15,863
At 30 June 2021	15	15,859	(96)	(24)	1,006	(644)	16,116
Total comprehensive income	-	-	-	(166)	960	(5,931)	(5,137)
At 30 June 2022	15	15,859	(96)	(190)	1,966	(6,575)	10,979

	No.	Share capital \$ 000	Share premium \$ 000	Total paid in capital \$ 000
Paid in capital (historic)				
Deposit capital	50,000	8	-	8
Capital increase	43,994	7	16,908	16,915
Capital decrease	-	-	-	-
Share capital at 30 June 2022	93,994	15	16,908	

Company Cash flow statement
For the year ended 30 June 2022

	Note	2021/22 \$'000	2020/21 \$'000
Cash flows from operating activities			
Loss before tax		(5,281)	(530)
Adjustments for			
Depreciation	35	15	7
Amortisation	34	180	78
Share based payment charge		-	-
Operating cash flows before movement in working capital		(5,086)	(445)
(Increase)/decrease in trade and other receivables	38	(517)	(616)
Increase/(decrease) in trade and other payables	39	1,232	78
Increase/(decrease) in trade and other payables > 1 yr	40	166	-
Cash inflows from operating activities		881	(538)
Tax received	38	96	40
Net cash from operating activities		(4,109)	(943)
Cash flows from investing activities			
Acquisition of intangible assets	34	(1,411)	(636)
Acquisition of property, plant & equipment	35	(46)	(8)
Net cash used in operating activities		(1,457)	(644)
Cash flows from financing activities			
Proceeds from issue of shares net of transaction costs		-	15,859
Settlement of debts		-	(876)
Net cash used in financing activities		-	14,983
Effect of foreign exchange rate change		154	-
Net increase/(decrease) in cash & cash equivalents		(5,412)	13,396
Cash & cash equivalents at 1 July		14,367	971
Cash & cash equivalents at 30 June		8,955	14,367

Notes to the Company financial statements

For the year ended 30 June 2022

27. Accounting policies

Basis of preparation

This annual report has been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

For all periods up to and including the year ended 30 June 2021, the Company prepared its financial statements in accordance with local generally accepted accounting principles (Danish GAAP). These financial statements for the year ended 30 June 2022 are the first the Company has prepared in accordance with International Financial Reporting Standards (IFRS Standards) adopted by the European Union (see note 2.2).

28. Adoption of new and revised Standards

First-time adoption of IFRS

These financial statements, for the year ended 30 June 2022, are the first the Group has prepared in accordance with IFRS. For periods up to and including the year ended 30 June 2021, the Group prepared its financial statements in accordance with local generally accepted accounting principles (Danish GAAP)

Accordingly, the Group has prepared financial statements that comply with IFRS applicable as at 30 June 2022, together with the comparative period data for the year ended 30 June 2021, as described in the summary of significant accounting policies. In preparing the financial statements, the Group's opening statement of financial position was prepared as at 1 July 2020, the Group's date of transition to IFRS. This note explains the principal adjustments made by the Group in restating its Danish GAAP financial statements, including the statement of financial position as at 1 July 2020 and the financial statements as of, and for, the year ended 30 June 2021.

Reserve for development costs

Reserve for development costs comprises recognised development costs net of related deferred tax liabilities. The reserve cannot be used to pay out dividends or cover losses. The reserve is reduced or dissolved if recognised development costs are depreciated or dissolved from the Company's operations. This is done by transferring development costs directly to the free reserve in equity.

Notes to the Company financial statements (continued)
For the year ended 30 June 2022

28. Adoption of new and revised Standards (continued)

Company reconciliation of equity as at 1 July 2020 (date of transition to IFRS)

	Local GAAP	Recognition, reclassification and remeasurements	1 July 2020
	\$'000	\$'000	\$'000
Non-current assets			
Intangible assets (a)	-	731	731
Tangible assets	10	-	10
Other receivables	9	-	9
	19	731	750
Current assets			
Receivables under one year	486	-	486
Cash & cash equivalents	971	-	971
	1,457	-	1,457
Total assets	1,476	731	2,207
Current liabilities			
Payables under one year	565	-	565
	565	-	565
Non-current liabilities			
Loans & borrowings	876	-	876
	876	-	876
Total liabilities	1,441	-	1,441
Net Assets	35	731	766
Equity			
Share capital	11	-	11
Retained earnings (a)	24	731	755
Total equity	35	731	766

(a) This adjustment was recognised to align the new capitalisation of development costs accounting policy. These costs amounted to \$731,000.

Notes to the Company financial statements (continued)
For the year ended 30 June 2022

28. Adoption of new and revised Standards (continued)

Company reconciliation of equity as at 30 June 2021

	Local GAAP	Recognition, reclassification and remeasurements	30 June 2021
	\$'000	\$'000	\$'000
Non-current assets			
Investments	7	-	7
Intangible assets (a)	-	1,290	1,290
Tangible assets	11	-	11
Other receivables	10	-	10
	28	1,290	1,318
Current assets			
Receivables under one year (b)	1,139	(65)	1,074
Cash & cash equivalents	14,367	-	14,367
	15,506	(65)	15,441
Total assets	15,534	1,225	16,759
Current liabilities			
Payables under one year (b)	679	(36)	643
	679	(36)	643
Non-current liabilities			
Payables greater than one year	-	-	-
Total liabilities	679	(36)	643
Net Assets	14,855	1,261	16,116
Equity			
Share capital	15	-	15
Share premium (c)	-	15,859	15,859
Retained earnings (a, b + c)	14,840	(14,502)	338
Foreign exchange reserve (d)	-	(96)	(96)
Total equity	14,855	1,261	16,116

(a) This adjustment was recognised to align the new capitalisation of development costs accounting policy. These costs amounted to \$1,290,000 (2020/21 - \$559,000 and 2019/20 - \$731,000).

(b) This adjustment was recognised to align with the revenue accounting policy. The company had previously recognised gross revenue of \$65,000 before deferring \$36,000 at the balance sheet date. This has been reversed.

(c) The premium on share issuance in April 2021 has been reclassified as Share premium as opposed to Retained earnings, this amounted to \$15,859,000.

(d) The amount of \$96,000 was recognised as a one time conversion for the opening balance sheet on adoption of USD as the presentational currency of the company.

Notes to the Company financial statements (continued)
For the year ended 30 June 2022

28. Adoption of new and revised Standards (continued)

Company reconciliation of total Comprehensive Income for the year ended 30 June 2021

	Local GAAP	Recognition, reclassification and remeasurements	30 June 2021
	\$'000	\$'000	\$'000
Revenue	1,040	-	1,040
Cost of sales	-	-	-
Gross profit	1,040	-	1,040
Salary costs	(689)	-	(689)
Other external expenses (a)	(1,414)	530	(884)
Operating profit	(1,063)	530	(533)
Finance income	31	-	31
Finance costs	(28)	-	(28)
Profit before tax	(1,060)	530	(530)
Tax expense	137	-	137
Profit for the year	(923)	530	(393)
Other comprehensive income			
Exchange differences on translation of foreign transactions	-	(24)	(24)
Total comprehensive income	(923)	506	(417)

(a) This adjustment was recognised to align the new capitalisation of development costs accounting policy. These costs amounted to \$637,000, the adjustment in part (a), offset by amortisation of \$78,000 to reflect the amortisation for the year and payroll taxes of \$29,000.

29. Revenue

The analysis of the company's turnover is as follows:

	2021/22	2020/21
	\$'000	\$'000
License	1,064	782
Consulting	444	258
Management charges	488	-
	<u>1,996</u>	<u>1,040</u>

Geographical information

The Group's revenue from external, third party customers by geographical location are detailed below:

	2021/22	2020/21
Europe, Middle-East, and Africa ("EMEA")	93%	99%
Rest of the world	7%	1%

CluedIn ApS

Notes to the Company financial statements (continued)

For the year ended 30 June 2022

30. Profit for the year

Profit for the year has been arrived at after charging/(crediting):

	2021/22	2020/21
	\$'000	\$'000
Net foreign exchange losses/(gain)	83	-
Depreciation	15	7
Amortisation	180	78

31. Staff costs

	2021/22	2020/21
	\$'000	\$'000
Salary costs	1,161	554
Social security costs	66	11
Pension	87	53
Other staff costs	572	71
Total	1,886	689
Capitalised development costs	281	103
Total staff costs	2,167	792

Average employees	11	9
-------------------	----	---

31.2. Key management personnel

	2021/22	2020/21
Remunerated Directors	1	1

The aggregate payroll costs of these persons were as follows:

	\$'000	\$'000
Wages and salaries	156	132
Pension	15	13

The Director was not issued with share options and therefore there is no share-based payment charge.

32. Finance Costs

	2021/22	2020/21
	\$'000	\$'000
Interest costs	7	28
	<u>7</u>	<u>28</u>

Notes to the Company financial statements (continued)
For the year ended 30 June 2022

33. Tax on loss

	2021/22	2020/21
	\$ 000	\$ 000
Tax		
Tax credit scheme in DK	310	137
Deferred tax (not recognised)	1,085	122

34. Intangible assets

	Finalised development projects \$'000
Cost	
At 1 July 2021	1,418
Additions	1,411
At 30 June 2022	2,829
Amortisation	
At 1 July 2021	128
Amortisation charge	180
At 30 June 2022	308
Carrying value	
At 30 June 2022	2,521
At 30 June 2021	1,290

Completed development projects comprise software development costs related to development of the existing software platform. The software is under continuous development for the use of customers and is sold as a license to access the software for a contracted period. The user has access to upgrades and new functionality throughout the contracted period.

Development costs for the year cover the front and back-end of the software solution. Both parts to increase the user experience and functionalities within the software in order to increase the Group's revenue by maintaining existing and acquiring new customers.

Notes to the Company financial statements (continued)
For the year ended 30 June 2022

35. Tangible assets

	Other fixtures, fittings, tools and equipment \$'000
Cost	
At 1 July 2021	20
Additions	46
At 30 June 2022	66
Depreciation	
At 1 July 2021	9
Depreciation charge	15
At 30 June 2022	24
Carrying value	
At 30 June 2022	42
At 30 June 2021	11

36. Investment in subsidiaries

	\$'000
Cost	
At 1 July 2020	-
Additions	7
At 30 June 2021	7
At 1 July 2021	7
Additions	-
At 30 June 2022	7
Carrying value	
At 30 June 2022	7
At 30 June 2021	7

See Note 13 for further detail.

37. Receivables: amounts falling due greater than one year

	2021/22 \$'000	2020/21 \$'000
Prepayments and other receivables	-	10
	-	10

Notes to the Company financial statements (continued)
For the year ended 30 June 2022

38. Receivables: amounts falling due within one year

	2021/22	2020/21
	\$'000	\$'000
Trade receivables	821	374
Tax receivables	440	226
Prepayments and other receivables	234	474
	1,495	1,074

39. Payables: amounts falling due within one year

	Note	2021/22	2020/21
		\$'000	\$'000
Trade payables		217	1
Accrued expenses and other liabilities		657	204
Contract liabilities	40	1,001	438
		1,875	643

40. Payables: amounts falling due greater than one year

	Note	2021/22	2020/21
		\$'000	\$'000
Contract liabilities	40	166	-
		166	-

41. Contract liabilities

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) is, as follows:

	2021/22	2020/21
	\$'000	\$'000
Within one year	1,001	438
More than one year	166	-
	1,167	438

The remaining performance obligations expected to be recognised in more than one year relate to the delivery of CluedIn software licenses.

CluedIn ApS

Notes to the Company financial statements (continued) For the year ended 30 June 2022

42. Share capital

Allotted, called-up and fully paid shares

	30 June 2022 No.	30 June 2022 \$'000	30 June 2021 No.	30 June 2021 \$'000
Ordinary shares of DKK1 each	72,968	12	72,968	12
Series A – preferred shares of DKK 1 each	21,026	3	21,026	3
Total	<u>93,994</u>	<u>15</u>	<u>93,994</u>	<u>15</u>

See disclosures made in Note 19.

43. Related parties

At the balance sheet date, CluedIn ApS had the following payable positions with its 100% owned subsidiaries. These are included within accrued expenses and other liabilities in note 38:

	2021/22 \$'000	2020/21 \$'000
Payable within one year		
CluedIn Australia Pty Ltd	58	-
CluedIn UK LTD	166	-
Den Socialøkonomiske Virksomhed Lend a Hand ApS	31	-
	<u>255</u>	<u>-</u>

44. Commitments

	2021/22 \$'000	2020/21 \$'000
Within one year	24	11
Greater than one year but less than five years	-	-
Total undiscounted payments	<u>24</u>	<u>11</u>

Commitments are in relation to the short-term rental agreements held by the Company.

45. Controlling interest

The directors are of the view that there is no controlling party.

46. Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

Notes to the Company financial statements (continued)

For the year ended 30 June 2022

47. Post balance sheet events

From the Statement of financial position date until the signing date, no further matters, which would influence the evaluation of the Annual Report has occurred.

