



## Synlab Medical Digital Services A/S

Storhaven 12  
7100 Vejle  
CVR No. 32645534

## Annual report 2019

The Annual General Meeting adopted the  
annual report on 31.08.2020

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**Lars Henrik Andreasen**

Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2019	8
Balance sheet at 31.12.2019	9
Statement of changes in equity for 2019	11
Notes	12
Accounting policies	15

# Entity details

## Entity

Synlab Medical Digital Services A/S

Storhaven 12

7100 Vejle

CVR No.: 32645534

Registered office: Vejle

Financial year: 01.01.2019 - 31.12.2019

## Board of Directors

Henriette Jakobsen

Mathieu Floreani

Sami Badarani

Rainar Aamisepp

Lars Henrik Andreasen

## Executive Board

Henriette Jakobsen

Lars Henrik Andreasen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Synlab Medical Digital Services A/S for the financial year 01.01.2019 - 31.12.2019.

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 Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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.

Vejle, 31.08.2020

## Executive Board

**Henriette Jakobsen**

**Lars Henrik Andreassen**

## Board of Directors

**Henriette Jakobsen**

**Mathieu Floreani**

**Sami Badarani**

**Rainar Aamisepp**

**Lars Henrik Andreassen**

# Independent auditor's report

## To the shareholders of Synlab Medical Digital Services A/S

### Opinion

We have audited the financial statements of Synlab Medical Digital Services A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with 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 financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the 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 financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark,

we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 Danish Financial Statements Act.

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

Kolding, 31.08.2020

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Suzette Demediuk Steen Nielsen**

State Authorised Public Accountant  
Identification No (MNE) mne32207

# Management commentary

## Primary activities

The company's purpose is to conduct trading, manufacturing, service and consultancy and other related services at the discretion of the Board of Directors.

## Description of material changes in activities and finances

The result for the year is a profit of DKK 6.793k against a profit of DKK 7.911k in the previous financial year. Management considers the result for the year to be satisfactory.

## Events after the balance sheet date

The outbreak and spread of Covid-19 in the beginning of 2020 has so far resulted in a 40% drop in production in WebReq. As the payment is mainly user-based and only to a lesser extent production-based, there is an effect on earnings on WebReq. We have reused Webreq and WebBooking to develop coronaprover.dk in collaboration with the Danish authorities regarding the COVID-19 efforts. It succeeded with the help of innovation, domain knowledge and networking. The new business area benefits both Danish society and meets the goals of organic growth in the Group. Most projects and some developments in DK, which are in the pipeline 2020, have been postponed due to the demand from our customers and our own COVID-19 development. It has an impact on earnings in 2020, but is more than offset by the Covid-19 development. The PLASMA development follows the schedule and we expect to deliver the agreed number of hours well before the end of the year.

Other than the above mentioned no events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.



# Income statement for 2019

	Notes	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>19,232,336</b>	<b>19,375,931</b>
Staff costs	2	(10,348,504)	(8,520,235)
Depreciation, amortisation and impairment losses	3	(298,043)	(554,523)
<b>Operating profit/loss</b>		<b>8,585,789</b>	<b>10,301,173</b>
Other financial income	4	143,960	1,564
Other financial expenses		(23,348)	(156,617)
<b>Profit/loss before tax</b>		<b>8,706,401</b>	<b>10,146,120</b>
Tax on profit/loss for the year	5	(1,913,434)	(2,234,675)
<b>Profit/loss for the year</b>		<b>6,792,967</b>	<b>7,911,445</b>
<b>Proposed distribution of profit and loss</b>			
Extraordinary dividend distributed in the financial year		3,000,000	6,000,000
Retained earnings		3,792,967	1,911,445
<b>Proposed distribution of profit and loss</b>		<b>6,792,967</b>	<b>7,911,445</b>

# Balance sheet at 31.12.2019

## Assets

	Notes	2019 DKK	2018 DKK
Completed development projects	7	1,107,601	0
<b>Intangible assets</b>	6	<b>1,107,601</b>	<b>0</b>
Other fixtures and fittings, tools and equipment		1,038,175	1,317,445
<b>Property, plant and equipment</b>	8	<b>1,038,175</b>	<b>1,317,445</b>
Deposits		19,500	19,500
<b>Other financial assets</b>	9	<b>19,500</b>	<b>19,500</b>
<b>Fixed assets</b>		<b>2,165,276</b>	<b>1,336,945</b>
Trade receivables		1,363,912	3,510,486
Receivables from group enterprises		7,500,061	0
Other receivables		129,375	0
Prepayments		0	52,989
<b>Receivables</b>		<b>8,993,348</b>	<b>3,563,475</b>
Other investments		0	96,691
<b>Other investments</b>		<b>0</b>	<b>96,691</b>
<b>Cash</b>		<b>3,962,060</b>	<b>2,378,512</b>
<b>Current assets</b>		<b>12,955,408</b>	<b>6,038,678</b>
<b>Assets</b>		<b>15,120,684</b>	<b>7,375,623</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019 DKK</b>	<b>2018 DKK</b>
Contributed capital		500,000	500,000
Reserve for development expenditure		863,929	0
Retained earnings		6,992,576	4,063,538
<b>Equity</b>		<b>8,356,505</b>	<b>4,563,538</b>
Deferred tax		264,421	14,723
<b>Provisions</b>		<b>264,421</b>	<b>14,723</b>
Other payables		321,524	0
<b>Non-current liabilities other than provisions</b>	10	<b>321,524</b>	<b>0</b>
Bank loans		35,599	16,739
Trade payables		65,000	50,000
Payables to group enterprises		0	329,267
Joint taxation contribution payable		1,534,332	0
Other payables	11	4,543,303	2,401,356
<b>Current liabilities other than provisions</b>		<b>6,178,234</b>	<b>2,797,362</b>
<b>Liabilities other than provisions</b>		<b>6,499,758</b>	<b>2,797,362</b>
<b>Equity and liabilities</b>		<b>15,120,684</b>	<b>7,375,623</b>
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	12		
Contingent liabilities	13		

# Statement of changes in equity for 2019

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,000	0	4,063,538	4,563,538
Extraordinary dividend paid	0	0	(3,000,000)	(3,000,000)
Transfer to reserves	0	863,929	(863,929)	0
Profit/loss for the year	0	0	6,792,967	6,792,967
<b>Equity end of year</b>	<b>500,000</b>	<b>863,929</b>	<b>6,992,576</b>	<b>8,356,505</b>

# Notes

## 1 Events after the balance sheet date

The outbreak and spread of Covid-19 in the beginning of 2020 has had an effect on the demand of primarily WebReq, which is reduced by 40%. The company has launched new initiatives that have helped to maintain earnings and activity. Hence the management estimates that the outbreak and spread of Covid-19 will not have a significant effect on the profit in 2020.

## 2 Staff costs

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	8,535,556	7,063,471
Pension costs	1,055,302	1,246,471
Other social security costs	188,305	210,293
Other staff costs	1,300,000	0
	<b>11,079,163</b>	<b>8,520,235</b>
Staff costs classified as assets	(730,659)	0
	<b>10,348,504</b>	<b>8,520,235</b>
Average number of full-time employees	<b>14</b>	<b>13</b>

## 3 Depreciation, amortisation and impairment losses

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Amortisation of intangible assets	18,773	0
Depreciation of property, plant and equipment	279,270	554,523
	<b>298,043</b>	<b>554,523</b>

## 4 Other financial income

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	126,687	0
Fair value adjustments	17,273	0
Other financial income	0	1,564
	<b>143,960</b>	<b>1,564</b>

## 5 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	1,663,736	2,264,966
Change in deferred tax	249,698	(30,291)
	<b>1,913,434</b>	<b>2,234,675</b>

## 6 Intangible assets

	Completed development projects DKK
Additions	1,126,374
<b>Cost end of year</b>	<b>1,126,374</b>
Amortisation for the year	(18,773)
<b>Amortisation and impairment losses end of year</b>	<b>(18,773)</b>
<b>Carrying amount end of year</b>	<b>1,107,601</b>

## 7 Development projects

Development projects consists primarily of development on WebReq and WebPatient. The development of WebReq is mainly related to the development of new management module and the startup of the development of a new frontend. The development of WebPatient is mainly related to the development of two progress plan schedules, as well as more generic functionality in the respective schedules in WebPatient.

## 8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	2,107,427
<b>Cost end of year</b>	<b>2,107,427</b>
Depreciation and impairment losses beginning of year	(789,982)
Depreciation for the year	(279,270)
<b>Depreciation and impairment losses end of year</b>	<b>(1,069,252)</b>
<b>Carrying amount end of year</b>	<b>1,038,175</b>

## 9 Financial assets

	Deposits DKK
Cost beginning of year	19,500
<b>Cost end of year</b>	<b>19,500</b>
<b>Carrying amount end of year</b>	<b>19,500</b>

**10 Non-current liabilities other than provisions**

	<b>Due after more than 12 months 2019 DKK</b>
Other payables	321,524
	<b>321,524</b>

**11 Other payables**

	<b>2019 DKK</b>	<b>2018 DKK</b>
VAT and duties	1,476,362	1,602,275
Wages and salaries, personal income taxes, social security costs, etc payable	275,120	12,212
Holiday pay obligation	1,016,601	784,000
Other costs payable	1,775,220	2,869
	<b>4,543,303</b>	<b>2,401,356</b>

**12 Unrecognised rental and lease commitments**

	<b>2019 DKK</b>	<b>2018 DKK</b>
Liabilities under rental or lease agreements until maturity in total	<b>320,196</b>	<b>128,040</b>

**13 Contingent liabilities**

The Entity participates in a Danish joint taxation arrangement where DMDD Holding ApS served as the administration company in the period January 1, 2020 to January 31, 2020 and SYNLAB Holding Denmark ApS from February 1, 2020. 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 the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Changes in accounting estimates

During the financial year, the company's management has reassessed the maturities of the company's tangible fixed assets, which has led to a decrease in depreciation in the financial year 2019.

The changed estimates for property, plant and equipment have had the following effects over previous estimates:

The profit for the year before tax is increased by DKK 264k, while profit for the year after tax is increased by DKK 206k. The carrying amount of tangible fixed assets is increased by DKK 264k and the equity has increased by DKK 206k.

In management's opinion, the changed accounting estimates give a more true and fair view of the company's assets, liabilities and financial position and result.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration



fixed.

**Costs of raw materials and consumables**

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

**Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

**Other financial income**

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**

Other financial expenses comprise interest expenses.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Balance sheet****Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced

as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

### **Property, plant and equipment**

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

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.

### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

### **Prepayments**

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

### **Other investments**

Other current asset investments comprise listed securities measured at fair value (market price) at the balance sheet date.

### **Cash**

Cash comprises cash in hand and bank deposits.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Operating leases**

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

**Joint taxation contributions payable or receivable**

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.