

**ReMoni ApS**  
Sudkærvej 9  
8752 Østbirk  
Business Registration No  
35212124

## **Annual report 2017**

The Annual General Meeting adopted the annual report on 02.05.2018

### **Chairman of the General Meeting**

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Name: Flemming Würtz Andersen

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## Entity details

### Entity

ReMoni ApS

Sudkærvej 9

8752 Østbirk

Central Business Registration No (CVR): 35212124

Founded: 05.04.2013

Registered in: Horsens

Financial year: 01.01.2017 - 31.12.2017

### Board of Directors

Flemming Würtz Andersen, Chairman

Bo Eskerod Madsen

Mogens Durup Nielsen

Jesper Bjarne Haugaard

### Executive Board

Bo Eskerod Madsen

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Papirfabrikken 26

8600 Silkeborg

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of ReMoni ApS for the financial year 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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.

Østbirk, 02.05.2018

### Executive Board

Bo Eskerod Madsen

### Board of Directors

Flemming Würtz Andersen  
Chairman

Bo Eskerod Madsen

Mogens Durup Nielsen

Jesper Bjarne Haugaard

# Independent auditor's report

## To the shareholders of ReMoni ApS

### Opinion

We have audited the financial statements of ReMoni ApS for the financial year 01.01.2017 - 31.12.2017, 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 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:

## Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

## Independent auditor's report

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.

Silkeborg, 02.05.2018

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR) 33963556

Bo Blaabjerg Odgaard  
State Authorised Public Accountant  
Identification No (MNE) mne32122

## Management commentary

### Primary activities

The Company carries on development and sale of monitoring systems and related activities.

### Development in activities and finances

The primary focus in 2017 beta tests of the Company's product platform and launch of it in second half year. Therefore, the Company's resources have primarily been allocated to development. The newly developed products are expected to be important sources of revenue for the Company in the long term, and both revenue and profit will therefore be significantly larger in the years to come.

At the time of the financial reporting, the Company is still in the early market growth stage, the final market potential is therefore subject to some uncertainty. If, contrary to expectations, it appears that it will not be possible to scale the product sales as estimated, it is Management's assessment that operations can be adjusted so that cash resources are sufficient until the time of the annual general meeting in 2019.

As in previous years, the Company has made considerable investments in development projects. The development projects are recognised in assets. For these development projects the Company has received public grants to cover a share of the development costs.

At 31.12.2017, the Company has recognised DKK 15,830k under development projects in the assets and has received a grant of DKK 10,935k for these projects. The grants received have been presented under deferred income.

The grants received of DKK 10,935k will be taken to income in the Company's income statement as the relating development projects are amortised and expensed. The Company is thus not obliged to repay the grants.

The Company expects to complete and initiate amortisation of several projects in the financial year 2018.

For further description of the above, see notes 3 and 7.

### 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.



## Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
<b>Gross profit</b>		<b>2.991.997</b>	<b>2.132.740</b>
Staff costs	1	(1.907.186)	(1.179.762)
Depreciation, amortisation and impairment losses		<u>(446.218)</u>	<u>(33.625)</u>
<b>Operating profit/loss</b>		<b>638.593</b>	<b>919.353</b>
Other financial expenses		<u>(99.668)</u>	<u>(68.862)</u>
<b>Profit/loss before tax</b>		<b>538.925</b>	<b>850.491</b>
Tax on profit/loss for the year	2	<u>(126.853)</u>	<u>(186.936)</u>
<b>Profit/loss for the year</b>		<b><u>412.072</u></b>	<b><u>663.555</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>412.072</u>	<u>663.555</u>
		<b><u>412.072</u></b>	<b><u>663.555</u></b>

## Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Development projects in progress		15.829.768	10.493.334
<b>Intangible assets</b>	3	<b>15.829.768</b>	<b>10.493.334</b>
Other fixtures and fittings, tools and equipment		62.468	102.095
<b>Property, plant and equipment</b>	4	<b>62.468</b>	<b>102.095</b>
Deposits		12.000	0
<b>Fixed asset investments</b>		<b>12.000</b>	<b>0</b>
<b>Fixed assets</b>		<b>15.904.236</b>	<b>10.595.429</b>
Trade receivables		28.364	0
Receivables from group enterprises		173.147	0
Other receivables		862.132	1.162.855
<b>Receivables</b>		<b>1.063.643</b>	<b>1.162.855</b>
<b>Cash</b>		<b>4.260.443</b>	<b>2.455.174</b>
<b>Current assets</b>		<b>5.324.086</b>	<b>3.618.029</b>
<b>Assets</b>		<b>21.228.322</b>	<b>14.213.458</b>

## Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Contributed capital	5	111.667	106.667
Reserve for development expenditure		8.267.742	4.105.323
Retained earnings		(5.900.376)	(2.845.029)
<b>Equity</b>		<b><u>2.479.033</u></b>	<b><u>1.366.961</u></b>
Deferred tax		839.000	539.000
<b>Provisions</b>		<b><u>839.000</u></b>	<b><u>539.000</u></b>
Subordinate loan capital	6	6.079.965	4.161.625
<b>Non-current liabilities other than provisions</b>		<b><u>6.079.965</u></b>	<b><u>4.161.625</u></b>
Trade payables		76.812	51.028
Other payables		818.705	1.088.291
Deferred income	7	10.934.807	7.006.553
<b>Current liabilities other than provisions</b>		<b><u>11.830.324</u></b>	<b><u>8.145.872</u></b>
<b>Liabilities other than provisions</b>		<b><u>17.910.289</u></b>	<b><u>12.307.497</u></b>
<b>Equity and liabilities</b>		<b><u>21.228.322</u></b>	<b><u>14.213.458</u></b>
Contingent liabilities	8		
Assets charged and collateral	9		

## Statement of changes in equity for 2017

	<b>Contributed capital DKK</b>	<b>Reserve for development expenditure DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>
Equity beginning of year	106.667	4.105.323	(2.845.029)	1.366.961
Increase of capital	5.000	0	0	5.000
Purchase of treasury shares	0	0	(5.000)	(5.000)
Sale of treasury shares	0	0	700.000	700.000
Transfer to reserves	0	4.162.419	(4.162.419)	0
Profit/loss for the year	0	0	412.072	412.072
<b>Equity end of year</b>	<b>111.667</b>	<b>8.267.742</b>	<b>(5.900.376)</b>	<b>2.479.033</b>

A capital increase has been made in the year with the purpose of giving key employees the possibility of buying shares in the Company.

## Notes

	<b>2017</b>	<b>2016</b>
	<b>DKK</b>	<b>DKK</b>
<b>1. Staff costs</b>		
Wages and salaries	5.463.844	5.373.067
Pension costs	96.960	96.960
Other social security costs	76.680	47.699
Other staff costs	62.309	32.638
Staff costs classified as assets	<u>(3.792.607)</u>	<u>(4.370.602)</u>
	<b><u>1.907.186</u></b>	<b><u>1.179.762</u></b>
Average number of employees	<u>11</u>	<u>8</u>

	<b>2017</b>	<b>2016</b>
	<b>DKK</b>	<b>DKK</b>
<b>2. Tax on profit/loss for the year</b>		
Change in deferred tax	300.000	186.936
Adjustment concerning previous years	<u>(173.147)</u>	<u>0</u>
	<b><u>126.853</u></b>	<b><u>186.936</u></b>

	<b>Develop- ment projects in progress DKK</b>
<b>3. Intangible assets</b>	
Cost beginning of year	10.493.334
Additions	<u>5.743.025</u>
<b>Cost end of year</b>	<b><u>16.236.359</u></b>
Impairment losses for the year	<u>(406.591)</u>
<b>Amortisation and impairment losses end of year</b>	<b><u>(406.591)</u></b>
<b>Carrying amount end of year</b>	<b><u>15.829.768</u></b>

### Development projects

The capitalised development costs relate to various new products in progress for monitoring of technical installations in professional buildings in order to reap operating as well as environmental profits.

## Notes

The Company has received grants provided on the basis of the capitalised intangible assets. The grants received are recognised in the annual report under deferred assets. The net amount between capitalised intangible assets and grants received recognised as deferred assets is calculated as follows:

	<b>2017</b>
	<b>DKK</b>
<b>Intangible assets</b>	
Balance beginning of year	10.493.334
Additions during the year, net	<u>5.336.434</u>
<b>Carrying amount end of year</b>	<b><u>15.829.768</u></b>
<b>Grants received</b>	
Balance beginning of year	(7.006.553)
Additions during the year, net	<u>(3.928.254)</u>
<b>Carrying amount end of year</b>	<b><u>(10.934.807)</u></b>
<b>Net value</b>	<b><u>4.894.961</u></b>
	<b>Other</b>
	<b>fixtures and</b>
	<b>fittings,</b>
	<b>tools and</b>
	<b>equipment</b>
	<b>DKK</b>
<b>4. Property, plant and equipment</b>	
Cost beginning of year	<u>198.135</u>
<b>Cost end of year</b>	<b><u>198.135</u></b>
Depreciation and impairment losses beginning of year	(96.040)
Depreciation for the year	<u>(39.627)</u>
<b>Depreciation and impairment losses end of year</b>	<b><u>(135.667)</u></b>
<b>Carrying amount end of year</b>	<b><u>62.468</u></b>

## Notes

	<u>Number</u>	<u>Nominal value DKK</u>	<u>Share of contributed capital %</u>	<u>Purchase/ (selling) price DKK</u>
<b>5. Treasury shares</b>				
Investments acquired:				
Capital increase	<u>5.000</u>	<u>5.000</u>	<u>4,5</u>	5.000
	<b><u>5.000</u></b>	<b><u>5.000</u></b>	<b><u>4,5</u></b>	
Investments disposed of:				
Capital increase	<u>3.128</u>	<u>3.128</u>	<u>2,8</u>	700.000
	<b><u>3.128</u></b>	<b><u>3.128</u></b>	<b><u>2,8</u></b>	
Holding of treasury shares:				
Capital increase	<u>1.872</u>	<u>1.872</u>	<u>1,7</u>	
	<b><u>1.872</u></b>	<b><u>1.872</u></b>	<b><u>1,7</u></b>	

### 6. Subordinate loan capital

The Company has subordinated loans totalling DKK 4,161,625. The loans carry interest at 8-9% p.a.

### 7. Deferred income

Deferred income consists of grants received relating to capitalised development projects in progress, see note 4. The grants received are not subject to repayment, but will be amortized as the related development project is depreciated.

The grants received is broken down as follows:

	<b><u>2017</u></b>
	<b><u>DKK</u></b>
Balance beginning of year	7.006.553
Grants received during the year, net	4.701.437
Amortized due to depreciation	(372.760)
Set off against receivables relating to capitalised projects	(2.385.903)
Prepaid grants received last year, incorporated this year	<u>1.985.479</u>
	<b><u>10.934.806</u></b>

## Notes

### **8. Contingent liabilities**

The Company has entered into leases with a total annual rent of DKK 48k. The lease has been terminated to be vacated on 31.03.2018.

The Company has concluded a performance contract of a fixed amount of DKK 750k if the Company achieves the performance target based on the annual reports for 2018, 2019 and 2020.

### **9. Assets charged and collateral**

The Company has provided a floating charge of a nominal amount of DKK 2,000k as security for the subordinated loans. The floating charge comprises trade receivables, operating equipment and rights, which at 31.12.2017 amounts to DKK 16,298k.



## 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.

### 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, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

#### Revenue

Revenue consisting of subvention is recognised in the income statement when delivery is made and risk has passed to the buyer.

#### Other operating income

Other operating income comprises income of a secondary nature to the primary activity of the enterprise.

#### 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.

## Accounting policies

### Staff costs

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

### Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

### Other financial expenses

Other financial expenses comprise interest expenses, as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

### 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.

### 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 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.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

#### Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

## Accounting policies

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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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.

### Cash

Cash comprises cash in hand and bank deposits.

### Treasury shares

Acquisition and selling prices as well as dividend from such shares are recognised directly in retained earnings in equity. So gains and losses on sale are not recognised in the income statement.

### Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

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.

### Other financial liabilities

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

### Deferred income

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