Deloitte
Statsautoriseret
Revisionspartnerselskab
CVR-nr. 33963556
Papirfabrikken 26
8600 Silkeborg

Phone 89 20 70 00
Fax 89 20 70 05
www.deloitte.dk

ReMoni ApS
Sudkærvej 9
8752 Østbirk
Business Registration No
35212124

Annual report 2018

The Annual General Meeting adopted the annual report on 04.04.2019

Chairman of the General Meeting

Name: Flemming Würtz Andersen

Contents

Entity details

Entity
ReMoni ApS
Sudkærvej 9
8752 Østbirk

Central Business Registration No (CVR): 35212124
Founded: 05.04.2013
Registered in: Horsens
Financial year: 01.01.2018 - 31.12.2018

Board of Directors
Flemming Würtz Andersen
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 01.01.2018 - 31.12.2018.

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 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

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, 04.04.2019

Executive Board

Bo Eskerod Madsen

Board of Directors

Flemming Würtz Andersen

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 01.01.2018 - 31.12.2018, 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 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 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 exits. 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, 04.04.2019

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 activites.

Development in activities and finances

The primary focus in 2018 has been market introduction and test of our MVP (Minimal Viable Product) product platform. 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 2020.

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 2018

	Notes	2018 DKK	2017 DKK
Gross profit		**6.626.268**	**6.784.604**
Staff costs	1	(6.715.515)	(5.699.793)
Depreciation, amortisation and impairment losses		(499.267)	(446.218)
Operating profit/loss		**(588.514)**	**638.593**
Income from investments in group enterprises		32.040	0
Other financial expenses		(99.363)	(99.668)
Profit/loss before tax		**(655.837)**	**538.925**
Tax on profit/loss for the year	2	179.487	(126.853)
Profit/loss for the year		**(476.350)**	**412.072**
Proposed distribution of profit/loss			
Retained earnings		(476.350)	412.072
		(476.350)	**412.072**

Balance sheet at 31.12.2018

	Notes	2018 DKK	2017 DKK
Completed development projects		4.060.004	0
Development projects in progress		19.195.990	15.829.768
Intangible assets	3	**23.255.994**	**15.829.768**
Other fixtures and fittings, tools and equipment		57.560	62.468
Property, plant and equipment	4	**57.560**	**62.468**
Investments in group enterprises		105.637	0
Deposits		60.000	12.000
Fixed asset investments	5	**165.637**	**12.000**
Fixed assets		**23.479.191**	**15.904.236**
Manufactured goods and goods for resale		215.946	0
Inventories		**215.946**	**0**
Trade receivables		100.304	28.364
Receivables from group enterprises		4.325	173.147
Other receivables		25.056	862.132
Prepayments		21.200	0
Receivables		**150.885**	**1.063.643**
Cash		**2.909.909**	**4.260.443**
Current assets		**3.276.740**	**5.324.086**
Assets		**26.755.931**	**21.228.322**

Balance sheet at 31.12.2018

	Notes	2018 DKK	2017 DKK
Contributed capital	6	111.667	111.667
Reserve for development expenditure		14.060.198	8.267.742
Retained earnings		(12.169.182)	(5.900.376)
Equity		**2.002.683**	**2.479.033**
Deferred tax		1.436.000	839.000
Provisions		**1.436.000**	**839.000**
Subordinate loan capital	7	4.161.625	4.161.625
Debt to other credit institutions		4.920.115	1.918.340
Deferred income	8	12.520.886	10.934.807
Non-current liabilities other than provisions	9	**21.602.626**	**17.014.772**
Bank loans		114.207	0
Trade payables		128.224	76.812
Other payables		1.472.191	818.705
Current liabilities other than provisions		**1.714.622**	**895.517**
Liabilities other than provisions		**23.317.248**	**17.910.289**
Equity and liabilities		**26.755.931**	**21.228.322**
Contingent liabilities	10		
Assets charged and collateral	11		

Statement of changes in equity for 2018

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	111.667	8.267.742	(5.900.376)	2.479.033
Transfer to reserves	0	5.792.456	(5.792.456)	0
Profit/loss for the year	0	0	(476.350)	(476.350)
Equity end of year	**111.667**	**14.060.198**	**(12.169.182)**	**2.002.683**

Notes

	2018 DKK	2017 DKK
1. Staff costs		
Wages and salaries	6.299.601	5.463.844
Pension costs	137.992	96.960
Other social security costs	110.267	76.680
Other staff costs	167.655	62.309
	6.715.515	**5.699.793**
Average number of employees	**14**	**11**

	2018 DKK	2017 DKK
2. Tax on profit/loss for the year		
Change in deferred tax	(170.000)	300.000
Adjustment concerning previous years	(9.487)	(173.147)
	(179.487)	**126.853**

	Completed develop-ment projects DKK	Develop-ment projects in progress DKK
3. Intangible assets		
Cost beginning of year	0	16.236.359
Transfers	4.511.115	(4.511.115)
Additions	0	7.877.337
Disposals	0	(406.591)
Cost end of year	**4.511.115**	**19.195.990**
Amortisation and impairment losses beginning of year	0	(406.591)
Amortisation for the year	(451.111)	0
Reversal regarding disposals	0	406.591
Amortisation and impairment losses end of year	**(451.111)**	**0**
Carrying amount end of year	**4.060.004**	**19.195.990**
Financial expenses included in carrying amount	**-**	**507.480**

Notes

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.

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:

	2018 DKK
Intangible assets	
Balance beginning of year	15.829.768
Additions during the year	7.877.337
Amortisation for the year	(451.111)
Carrying amount end of year	**23.255.994**
Grants received	
Balance beginning of year	(10.934.807)
Additions during the year	(1.909.707)
Amortisation for the year	323.628
Carrying amount end of year	**(12.520.886)**
Net value	**10.735.108**

Notes

	Other fixtures and fittings, tools and equipment DKK
4. Property, plant and equipment	
Cost beginning of year	198.135
Additions	59.051
Disposals	(163.181)
Cost end of year	**94.005**
Depreciation and impairment losses beginning of year	(135.667)
Depreciation for the year	(23.495)
Reversal regarding disposals	122.717
Depreciation and impairment losses end of year	**(36.445)**
Carrying amount end of year	**57.560**

	Invest-ments in group enterprises DKK	Deposits DKK
5. Fixed asset investments		
Cost beginning of year	0	12.000
Additions	73.597	60.000
Disposals	0	(12.000)
Cost end of year	**73.597**	**60.000**
Share of profit/loss for the year	32.040	0
Revaluations end of year	**32.040**	**0**
Carrying amount end of year	**105.637**	**60.000**

	Registered in	Corpo-rate form	Equity inte-rest %
Investments in group enterprises comprise:			
Remoni Danmark ApS	Skanderborg	ApS	100,0

Notes

	Number	Nominal value DKK	Share of contributed capital %
6. Treasury shares			
Holding of treasury shares:			
Capital increase	1.872	1.872	1,7
	1.872	**1.872**	**1,7**

7. Subordinate loan capital

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

8. Long-term deferred income

Deferred income consists of grants received relating to capitalised development projects in progress, see note 3. The grants received are not subject to repayment, but will bee amortized as the related development project is depreciated.

The grants received is broken down as follows:

	2018 DKK
Balance beginning of year	10.934.804
Grants received during the year, net	4.769.220
Grants received last year, regulated this year	(1.644.238)
Set off against receivables relating to capitalised projects	(1.215.272)
Amortized due to deprecation	(161.814)
	12.682.700

9. Liabilities other than provisions

The Company has no liaibilities which is outstanding after 5 years, other than deferred income. The Company has deferred income consisting of grants received relating to capitalised development projects. Since the deferred income relates to ongoing projects, it is not possible to determine how much is outstanding after 5 years.

10. Contingent liabilities

The Company has entered into leases with a total annual rent of DKK 240k. The lease can be terminated with 6 month of notice.

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.

Notes

11. Assets charged and collateral

The Company has provided a floating charge of a nominal amount of DKK 5,000k as security for long term loans. The floating charge comprises trade receivables, inventories, operating equipment and rights, which at 31.12.2018 amounts to DKK 23,855k.

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 accouting policies applied to these financial statements are consistent with those applied last year with few reclassifications.

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.

Own work capitalised

Own work capitalised comprises staff costs and other in-house costs incurred in the financial year and recognised in cost for own-developed intangible assets and property, plant and equipment.

Other operating income

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

Accounting policies

Cost of sales
Cost of sales comprises goods consumed for the financial year measured at cost, adjusted for usual inventory write-downs.

Other external expenses
Other external expenses include expenes 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 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.

Income from investments in group enterprises
Income from investments in group enterprises comprises the pro rata share of the individual entities' profit or loss after full elimination of intra-group profits or losses.

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.

Accounting policies

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

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

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.

Investments in group enterprises
In the parent financial statements, investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity values.

Group enterprises with a negative equity value are measured at zero value. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method in equity.

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

Accounting policies

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute the sale.

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.

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.