

---

# ***Monsenso ApS***

Torveporten 2, 3.rd floor, DK-2500 Valby

## **Annual Report for 1 January - 31 December 2017**

---

CVR No 35 51 73 91

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
9 /4 2018

Jakob Bardram  
Chairman



**pwc**

# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report	2
<b>Company Information</b>	
Company Information	5
Management's Review	6
<b>Financial Statements</b>	
Income Statement 1 January - 31 December 2017	8
Balance Sheet 31 December	9
Statement of Changes in Equity	11
Notes to the Financial Statements	12

# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Monsenso ApS for the financial year 1 January - 31 December 2017.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and of the results of the Company operations for 2017.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Valby, 9 April 2018

## Executive Board

Thomas Lethenborg  
CEO

## Board of Directors

Jakob Eyvind Bardram  
Chairman

Thomas Knudsen

Jeppe Øvli Øvlesen

Michael Palm Andersen

# Independent Auditor's Report

To the Shareholders of Monsenso ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Monsenso ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company in accordance with the International Ethics Standards Board for 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.

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

## 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 misstate-

# Independent Auditor's Report

ment, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company 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 Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events

# Independent Auditor's Report

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.

Hellerup, 9 April 2018

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Niels Henrik B. Mikkelsen

statsautoriseret revisor

mne16675

## **Company Information**

### **The Company**

Monsenso ApS  
Torveporten 2, 3.rd floor  
DK-2500 Valby

CVR No: 35 51 73 91  
Financial period: 1 January - 31 December  
Municipality of reg. office: Valby

### **Board of Directors**

Jakob Eyvind Bardram, Chairman  
Thomas Knudsen  
Jeppe Øvli Øvlesen  
Michael Palm Andersen

### **Executive Board**

Thomas Lethenborg

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Management's Review

Financial Statements of Monsenso ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

### Main activity

The company's purpose is to develop, operate and provide consultancy for healthcare IT and related services.

### Development in the year

2017 showed a revenue of DKK 6.423.260, a profit of DKK -3.360.900, and at December 31 the balance of the company shows equity of DKK 4.904.923.

Monsenso is pleased with its development during 2017 showing a 23% increase in revenue, significant product development, and signing a range of new customer and research projects.

In 2017, Monsenso was ISO 27001 information security certified in addition to its ISO 13385 medical device manufacture certification. Important features were added to the Monsenso solution including psychoeducation and mobile enabled Cognitive Behavioral Therapy (CBT) for depression, bipolar and borderline personality disorder as well as an app to include informal carers into the treatment. In addition, the solution was clinically tested for anxiety and integrations were made to other wearable devices.

In 2017, Monsenso signed new customer contracts with customers across Northern Europe, Italy, Spain and Australia through which its solution is being used in clinical practice in public health regions/trusts as well as private psychology and psychiatry practices.

In 2017, Monsenso signed consortium contracts in a number of research and development (R&D) projects with leading European research consortia. These projects include the IMPACHS project funded by the Eurostars programme, and the WellCo, ECoWeB and R-LiNK projects funded by the Horizon 2020 programme. These R&D projects will fund the development of additional product features such as CBT, psychoeducation, personalised prevention, and medication adherence tracking. Moreover, these projects will help localize the Monsenso solution for all major European markets and help establish clinical evidence for the efficacy of using the Monsenso solution in the monitoring and treatment of mental health disorders.

In 2017, Monsenso raised additional capital from existing investors and secured a loan from The Danish Growth Fund (Vækstfonden) to support further growth.

At the end of the period, 17 full-time equivalent people were employed.

## **Management's Review**

### **Expectations for 2018**

Monsenso expects to continue its commercial and technical development during 2018 through new and existing commercial and research engagements with the aim to provide better mental health to more people at lower costs.

### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

# Income Statement

## 1 January - 31 December 2017

	Note	2017 DKK	2016 DKK
<b>Revenue</b>		<b>6.423.260</b>	<b>5.247.607</b>
Other operating income		562.108	1.225.000
Other external expenses		<u>-3.006.828</u>	<u>-3.154.173</u>
<b>Gross profit/loss</b>		<b>3.978.540</b>	<b>3.318.434</b>
Staff expenses	1	-6.932.329	-6.119.840
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	<u>-1.137.487</u>	<u>-605.162</u>
<b>Profit/loss before financial income and expenses</b>		<b>-4.091.276</b>	<b>-3.406.568</b>
Financial income		112	7.166
Financial expenses		<u>-217.660</u>	<u>-11.356</u>
<b>Profit/loss before tax</b>		<b>-4.308.824</b>	<b>-3.410.758</b>
Tax on profit/loss for the year	3	<u>947.924</u>	<u>748.637</u>
<b>Net profit/loss for the year</b>		<b><u>-3.360.900</u></b>	<b><u>-2.662.121</u></b>

## Distribution of profit

	2017 DKK	2016 DKK
<b>Proposed distribution of profit</b>		
Retained earnings	<u>-3.360.900</u>	<u>-2.662.121</u>
	<b><u>-3.360.900</u></b>	<b><u>-2.662.121</u></b>

# Balance Sheet 31 December

## Assets

	Note	2017 DKK	2016 DKK
Completed development projects		3.424.610	1.806.610
Acquired licenses		142.998	183.858
Software		166.820	200.744
Goodwill		166.820	200.744
Development projects in progress		4.881.473	2.643.064
<b>Intangible assets</b>	4	<b>8.782.721</b>	<b>5.035.020</b>
Other fixtures and fittings, tools and equipment		52.011	0
<b>Property, plant and equipment</b>	5	<b>52.011</b>	<b>0</b>
Deposits		109.724	33.290
<b>Fixed asset investments</b>	6	<b>109.724</b>	<b>33.290</b>
<b>Fixed assets</b>		<b>8.944.456</b>	<b>5.068.310</b>
Trade receivables		696.525	1.531.192
Other receivables		79.939	34.605
Corporation tax		1.073.084	771.189
Prepayments		23.826	1.800
<b>Receivables</b>		<b>1.873.374</b>	<b>2.338.786</b>
<b>Cash at bank and in hand</b>		<b>5.332.885</b>	<b>3.307.730</b>
<b>Currents assets</b>		<b>7.206.259</b>	<b>5.646.516</b>
<b>Assets</b>		<b>16.150.715</b>	<b>10.714.826</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2017 DKK	2016 DKK
Share capital		862.222	819.311
Share premium account		10.716.996	8.664.925
Reserve for development costs		4.757.589	2.061.590
Other reserves		57.343	57.343
Retained earnings		-11.489.227	-5.432.328
<b>Equity</b>	7	<b>4.904.923</b>	<b>6.170.841</b>
Provision for deferred tax		463.662	334.182
<b>Provisions</b>		<b>463.662</b>	<b>334.182</b>
Mortgage loans		4.002.574	0
<b>Long-term debt</b>	8	<b>4.002.574</b>	<b>0</b>
Trade payables		205.794	461.983
Other payables		2.033.643	1.291.925
Deferred income		4.540.119	2.455.895
<b>Short-term debt</b>		<b>6.779.556</b>	<b>4.209.803</b>
<b>Debt</b>		<b>10.782.130</b>	<b>4.209.803</b>
<b>Liabilities and equity</b>		<b>16.150.715</b>	<b>10.714.826</b>
Contingent assets, liabilities and other financial obligations	9		
Accounting Policies	10		

## Statement of Changes in Equity

	Share capital	Share premium account	Reserve for development costs	Other reserves	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	819.311	8.664.925	2.061.590	57.343	-5.432.328	6.170.841
Cash capital increase	42.911	2.052.071	0	0	0	2.094.982
Development costs for the year	0	0	3.495.549	0	-3.495.549	0
Depreciation, development costs	0	0	-799.550	0	799.550	0
Net profit/loss for the year	0	0	0	0	-3.360.900	-3.360.900
<b>Equity at 31 December</b>	<b>862.222</b>	<b>10.716.996</b>	<b>4.757.589</b>	<b>57.343</b>	<b>-11.489.227</b>	<b>4.904.923</b>

# Notes to the Financial Statements

	2017	2016
	DKK	DKK
<b>1 Staff expenses</b>		
Wages and salaries	9.501.995	7.539.215
Pensions	199.211	72.000
Other social security expenses	126.551	130.362
Other staff expenses	166.168	149.369
	<b>9.993.925</b>	<b>7.890.946</b>
Transfer to development projects in progress	-3.061.596	-1.771.106
	<b>6.932.329</b>	<b>6.119.840</b>
<b>Average number of employees</b>	<b>17</b>	<b>14</b>
<b>2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment</b>		
Amortisation of intangible assets	1.065.924	537.304
Depreciation of property, plant and equipment	3.715	0
Impairment of intangible assets	67.848	67.858
	<b>1.137.487</b>	<b>605.162</b>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	-1.073.084	-771.189
Deferred tax for the year	129.480	22.552
Adjustment of tax concerning previous years	-4.320	0
	<b>-947.924</b>	<b>-748.637</b>

## Notes to the Financial Statements

### 4 Intangible assets

	Completed development projects DKK	Acquired licenses DKK	Software DKK	Goodwill DKK	Development projects in progress DKK	Total DKK
Cost at 1 January	2.482.243	286.000	237.500	237.500	2.643.064	5.886.307
Additions for the year	0	0	0	0	4.881.473	4.881.473
Transfers for the year	2.643.064	0	0	0	-2.643.064	0
Cost at 31 December	5.125.307	286.000	237.500	237.500	4.881.473	10.767.780
Impairment losses and amortisation at 1 January	675.633	102.142	36.756	36.756	0	851.287
Amortisation for the year	1.025.064	40.860	33.924	33.924	0	1.133.772
Impairment losses and amortisation at 31 December	1.700.697	143.002	70.680	70.680	0	1.985.059
<b>Carrying amount at 31 December</b>	<b>3.424.610</b>	<b>142.998</b>	<b>166.820</b>	<b>166.820</b>	<b>4.881.473</b>	<b>8.782.721</b>
Amortised over	5 years	7 years	7 years	7 years		

Development projects relate to the development of new versions of the Company's software. The projects include the general, ongoing product development as well as the larger projects related to development of a carer app, a more scalable administration interface and a patient-centric version of the solution. The projects are progressing according to plan through the use of the resources allocated by Management to development. The software is expected to be sold in the present and new markets to the Company's existing and new customers.

# Notes to the Financial Statements

## 5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment <u>DKK</u>
Cost at 1 January	0
Additions for the year	<u>55.726</u>
Cost at 31 December	<u>55.726</u>
Revaluations at 1 January	<u>0</u>
Revaluations at 31 December	<u>0</u>
Impairment losses and depreciation at 1 January	0
Depreciation for the year	<u>3.715</u>
Impairment losses and depreciation at 31 December	<u>3.715</u>
<b>Carrying amount at 31 December</b>	<b><u>52.011</u></b>

## Notes to the Financial Statements

### 6 Fixed asset investments

	<u>Deposits</u> DKK
Cost at 1 January	33.290
Additions for the year	<u>76.434</u>
Cost at 31 December	<u>109.724</u>
Impairment losses at 1 January	<u>0</u>
Impairment losses at 31 December	<u>0</u>
<b>Carrying amount at 31 December</b>	<b><u>109.724</u></b>

### 7 Equity

The share capital consists of 862,222 shares of a nominal value of DKK 1. No shares carry any special rights.

The share capital has developed as follows:

	<u>2017</u> DKK	<u>2016</u> DKK	<u>2015</u> DKK	<u>2014</u> DKK	<u>2013</u> DKK
Share capital at 1 January	819.311	737.360	561.798	500.000	0
Capital increase	42.911	81.951	175.562	61.798	0
Capital decrease	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Share capital at 31 December</b>	<b><u>862.222</u></b>	<b><u>819.311</u></b>	<b><u>737.360</u></b>	<b><u>561.798</u></b>	<b><u>0</u></b>

# Notes to the Financial Statements

## 8 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2017</u> DKK	<u>2016</u> DKK
<b>Mortgage loans</b>		
After 5 years	606.842	0
Between 1 and 5 years	3.395.732	0
Long-term part	4.002.574	0
Within 1 year	0	0
	<u><b>4.002.574</b></u>	<u><b>0</b></u>

## Notes to the Financial Statements

	<u>2017</u> DKK	<u>2016</u> DKK
<b>9 Contingent assets, liabilities and other financial obligations</b>		
<b>Rental and lease obligations</b>		
Rental commitments, non-termination period of 6 months.	105.209	53.264

# Notes to the Financial Statements

## 10 Accounting Policies

The Annual Report of Monsenso ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2017 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

## Income Statement

### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Other external expenses also include research and development costs that do not qualify for capitalisation.

# Notes to the Financial Statements

## 10 Accounting Policies (continued)

### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses other than production wages.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### Other operating income

Other operating income includes grants received by the Company.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

## Balance Sheet

### Intangible assets

#### *Development projects, patents and licences*

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs

# Notes to the Financial Statements

## 10 Accounting Policies (continued)

is allocated to the equity item “Reserve for development costs”. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 5 years.

Patents and licences are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Patents are amortised over the remaining patent period or a shorter useful life. The amortisation period is 7 years. Software licences are amortised over the period of the agreement, which is 7 years.

### ***Goodwill***

Goodwill is amortised on a straight-line basis over the estimated useful life of 7 years, determined on the basis of Management’s experience with the individual business areas.

### **Impairment of fixed assets**

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### **Prepayments**

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax

# Notes to the Financial Statements

## 10 Accounting Policies (continued)

entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.

### **Deferred income**

Deferred income comprises payments received in respect of income in subsequent years.