

Patiro.com
PATIENT ENROLLMENT SERVICE

Patiro ApS

Vesterå 2, 2. sal
9000 Aalborg

CVR no. 35 66 03 48

Annual report 2018

The annual report was presented and approved at the
Company's annual general meeting on

16 May 2019

Allan Bedker Christensen
chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Patiro ApS for the financial year 1 January – 31 December 2018.

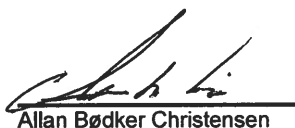
The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 January – 31 December 2018.

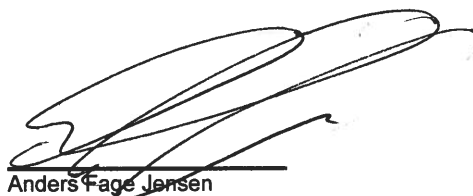
Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Aalborg 16 May 2019
Executive Board:




Allan Bødker Christensen



Anders Fage Jensen


Board of Directors:



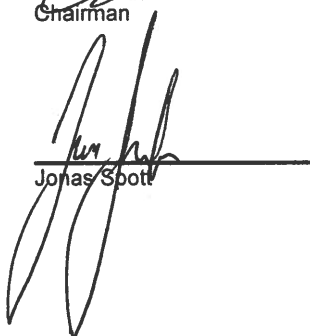
Anders Fage Jensen
Chairman



Simone Kleis



Allan Bødker Christensen



Jonas Spott



Independent auditor's report

To the shareholders of Patiro ApS

Opinion

We have audited the financial statements of Patiro ApS for the financial year 1 January – 31 December 2018 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 January – 31 December 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 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.

Independent auditor's report

- 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 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's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 of the Management's review.

Aalborg, 16 May 2019

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Steffen S. Hansen
State Authorised
Public Accountant
mne32737

Patiro ApS
Annual report 2018
CVR no. 35 66 03 48

Management's review

Company details

Patiro ApS
Vesterå 2, 2. sal
9000 Aalborg

CVR no.: 35 66 03 48
Established: 11 February 2014
Financial year: 1 January – 31 December

Board of Directors

Anders Fage Jensen, Chairman
Simone Kleis
Allan Bødker Christensen
Jonas Spott

Executive Board

Allan Bødker Christensen
Anders Fage Jensen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havnegade 18
DK-9000 Aalborg

Management's review

Operating review

Principal activities

The Company is primarily engaged in advisory services on clinical research and related activities.

Development in activities and financial position

The Company realised results for the year of a negative DKK 1,562 thousand compared to a negative DKK 1,341 thousand for 2017.

The activities for the year were in line with expectations, and the loss was due to a high level of software development and sales activities.

Results were in line with forecast.

For 2019, Management expects to report positive results, and Management therefore assess capital resources to be sufficient.

Events after the balance sheet date

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2018	2017
Gross profit		439,622	369,720
Staff costs	2	-2,085,266	-1,982,400
Depreciation, amortisation and impairment losses		<u>-318,956</u>	<u>-80,663</u>
Operating profit/loss		-1,964,600	-1,693,343
Financial expenses	3	<u>-887</u>	<u>-7,849</u>
Profit/loss before tax		-1,965,487	-1,701,192
Tax on profit/loss for the year	4	<u>403,200</u>	<u>359,930</u>
Profit/loss for the year		<u><u>-1,562,287</u></u>	<u><u>-1,341,262</u></u>
Proposed distribution of loss			
Retained earnings		<u><u>-1,562,287</u></u>	<u><u>-1,341,262</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2018	31/12 2017
ASSETS			
Fixed assets			
Intangible assets	5		
Completed development projects		<u>589,128</u>	<u>634,795</u>
Property, plant and equipment			
Plant and machinery		<u>9,484</u>	<u>14,524</u>
Investments			
Deposits		<u>28,750</u>	<u>28,750</u>
Total fixed assets		<u>627,362</u>	<u>678,069</u>
Current assets			
Receivables			
Trade receivables		796,419	140,057
Construction contracts		0	129,928
Deferred tax asset		771,300	525,362
Corporation tax		<u>157,262</u>	<u>0</u>
		<u>1,724,981</u>	<u>795,347</u>
Cash at bank and in hand		<u>755,126</u>	<u>2,347,128</u>
Total current assets		<u>2,480,107</u>	<u>3,142,475</u>
TOTAL ASSETS		<u><u>3,107,469</u></u>	<u><u>3,820,544</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2018	31/12 2017
EQUITY AND LIABILITIES			
Equity			
Contributed capital		120,572	120,572
Reserve for development costs		459,511	495,140
Retained earnings		944,769	2,471,427
Total equity		<u>1,524,852</u>	<u>3,087,139</u>
Liabilities			
Current liabilities other than provisions			
Payables to group entities		1,200,000	0
Other payables		330,816	340,480
Payables to shareholders and Management		51,801	101,801
Prepayments received regarding work in progress		0	291,124
		<u>1,582,617</u>	<u>733,405</u>
Total liabilities		<u>1,582,617</u>	<u>733,405</u>
TOTAL EQUITY AND LIABILITIES		<u>3,107,469</u>	<u>3,820,544</u>
Contractual obligations, contingencies, etc.	6		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	<u>Contributed capital</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2018	120,572	495,140	2,471,427	3,087,139
Transfer to reserve for development costs	0	0	0	0
Transferred over the distribution of loss	0	-35,629	-1,526,658	-1,562,287
Transfer from share premium account	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Equity at 31 December 2018	<u><u>120,572</u></u>	<u><u>459,511</u></u>	<u><u>944,769</u></u>	<u><u>1,524,852</u></u>

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Patiro ApS for 2018 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Income statement

Gross Profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of services is recognised in the income statement when delivery to the buyer has taken place (percentage-of-completion method).

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Other external costs

Other external costs comprise costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling cost and the carrying amount at the date of disposal.

Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Other liabilities are measured at net realisable value.

Financial statements 1 January – 31 December

Notes

DKK	<u>2018</u>	<u>2017</u>
2 Staff costs		
Wages and salaries	1,966,742	1,804,971
Pensions	58,629	106,080
Other social security costs	0	1,949
Other staff costs	<u>59,895</u>	<u>69,400</u>
	<u>2,085,266</u>	<u>1,982,400</u>
Average number of full-time employees	<u>4</u>	<u>5</u>
3 Financial expenses		
Other financial costs	<u>887</u>	<u>7,849</u>
4 Tax on profit/loss for the year		
Deferred tax for the year	<u>-403,200</u>	<u>-359,930</u>
5 Intangible assets		Completed development projects
DKK		<u>714,828</u>
Cost at 1 January 2018		268,249
Additions for the year		<u>983,077</u>
Cost at 31 December 2018		<u>983,077</u>
Amortisation and impairment losses at 1 January 2018		-80,033
Amortisation for the year		<u>-313,916</u>
Amortisation and impairment losses at 31 December 2018		<u>-393,949</u>
Carrying amount at 31 December 2018		<u>589,128</u>

6 Contractual obligations, contingencies, etc.

Contingent liabilities

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax as well as for the joint registration for VAT.

Rent and lease obligations represent DKK 21.300.