
Sensohive Technologies ApS

Wichmandsgade 1, 1., DK-5000 Odense C

Annual Report for 1 January - 31 December 2018

CVR No 36 42 45 40

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
22/05 2019

Casper Bernhøj Harlev
Chairman of the General
Meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Practitioner's Statement on Compilation of Financial Statements	2
Company Information	
Company Information	3
Management's Review	4
Financial Statements	
Income Statement 1 January - 31 December	5
Balance Sheet 31 December	6
Statement of Changes in Equity	8
Notes to the Financial Statements	9

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Sensohive Technologies ApS for the financial year 1 January - 31 December 2018.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2018 of the Company and of the results of the Company operations for 2018.

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.

Odense, 22 May 2019

Executive Board

Casper Bernhøj Harlev
CEO

Board of Directors

Tobias Ejersbo Petersen
Chairman

Tim Folkmann Larsen

Thomas Juhl

Michael Voss-Jensen

Lars Bong Mønsted Bruun Friis

Casper Harlev

Practitioner's Statement on Compilation of Financial Statements

To the Management of Sensohive Technologies ApS

We have compiled the Financial Statements of Sensohive Technologies ApS for the financial year 1 January - 31 December 2018 on the basis of the Enterprise's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and IESBA's Code of Ethics, including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Odense, 22 May 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Brian Petersen

statsautoriseret revisor

mne33722

Company Information

The Company

Sensohive Technologies ApS
Wichmandsgade 1, 1.
DK-5000 Odense C

CVR No: 36 42 45 40

Financial period: 1 January - 31 December

Municipality of reg. office: Odense

Board of Directors

Tobias Ejersbo Petersen, Chairman

Tim Folkmann Larsen

Thomas Juhl

Michael Voss-Jensen

Lars Bong Mønsted Bruun Friis

Casper Harlev

Executive Board

Casper Bernhøj Harlev

Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Rytterkasernen 21

DK-5000 Odense C

Management's Review

Financial Statements of Sensohive Technologies ApS for 2018 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.

Key activities

The company's key activities are to develop, implement and sell self-produced products and services especially within sensor solutions to different industrial applications.

Development in the year

The income statement of the Company for 2018 shows a loss of DKK 442,372, and at 31 December 2018 the balance sheet of the Company shows equity of DKK 3,656,120.

Unusual events

The financial position at 31 December 2018 of the Company and the results of the activities of the Company for the financial year for 2018 have not been affected by any unusual events.

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

	Note	2018 DKK	2017 DKK
Gross profit/loss		1.945.052	454.116
Staff expenses	1	-1.797.384	-483.306
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-445.239	-28.421
Other operating expenses		-259.494	0
Profit/loss before financial income and expenses		-557.065	-57.611
Financial income		5.064	0
Financial expenses		-13.027	-733
Profit/loss before tax		-565.028	-58.344
Tax on profit/loss for the year	2	122.656	11.593
Net profit/loss for the year		-442.372	-46.751

Distribution of profit

Proposed distribution of profit

Transfer for the year to other reserves	860.184	858.582
Retained earnings	-1.302.556	-905.333
	-442.372	-46.751

Balance Sheet 31 December

Assets

	Note	2018 DKK	2017 DKK
Completed development projects		733.832	0
Acquired patents		62.847	80.386
Development projects in progress		1.102.800	1.100.747
Intangible assets	3	1.899.479	1.181.133
Other fixtures and fittings, tools and equipment		100.358	161.143
Property, plant and equipment	4	100.358	161.143
Investments in subsidiaries		50.000	50.000
Fixed asset investments		50.000	50.000
Fixed assets		2.049.837	1.392.276
Inventories		371.396	0
Trade receivables		844.629	539.599
Other receivables		132.822	339.310
Corporation tax		242.616	242.164
Prepayments		73.186	0
Receivables		1.293.253	1.121.073
Cash at bank and in hand		754.768	2.254.822
Currents assets		2.419.417	3.375.895
Assets		4.469.254	4.768.171

Balance Sheet 31 December

Liabilities and equity

	Note	2018 DKK	2017 DKK
Share capital		90.000	90.000
Reserve for development costs		1.432.573	858.582
Retained earnings		2.133.547	3.149.910
Equity		3.656.120	4.098.492
Provision for deferred tax	5	265.411	145.451
Provisions		265.411	145.451
Trade payables		314.268	293.016
Payables to owners and Management		0	10.251
Other payables		233.455	220.961
Short-term debt		547.723	524.228
Debt		547.723	524.228
Liabilities and equity		4.469.254	4.768.171
Contingent assets, liabilities and other financial obligations	6		
Accounting Policies	7		

Statement of Changes in Equity

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	90.000	858.582	3.149.910	4.098.492
Development costs for the year	0	860.184	0	860.184
Depreciation, amortisation and impairment for the year	0	-286.193	286.193	0
Net profit/loss for the year	0	0	-1.302.556	-1.302.556
Equity at 31 December	90.000	1.432.573	2.133.547	3.656.120

Notes to the Financial Statements

	2018	2017
	DKK	DKK
1 Staff expenses		
Wages and salaries	1.499.842	436.134
Pensions	223.484	15.920
Other social security expenses	37.064	10.414
Other staff expenses	36.994	20.838
	1.797.384	483.306

Average number of employees	7	6
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2 Tax on profit/loss for the year

Current tax for the year	-242.616	-242.164
Deferred tax for the year	119.960	230.571
	-122.656	-11.593

3 Intangible assets

	Completed development projects DKK	Acquired pa- tents DKK	Development projects in progress DKK
Cost at 1 January	0	87.280	1.100.747
Additions for the year	0	0	1.102.800
Transfers for the year	1.100.747	0	-1.100.747
Cost at 31 December	1.100.747	87.280	1.102.800
Impairment losses and amortisation at 1 January	0	6.894	0
Amortisation for the year	366.915	17.539	0
Impairment losses and amortisation at 31 December	366.915	24.433	0
Carrying amount at 31 December	733.832	62.847	1.102.800

Amortised over 3 years 5 years

Development projects concern continuous further development and updating of the Sensohive wireless sensor solution and its functionalities, which are done in active dialogue with users and customers. This increases the likelihood that the platform meets customer needs and thus their willingness to remain customers. The projects are proceeding as planned using the resources that management has allocated to product development. As development progresses, it is expected that sales relating to access to the Sensohive wireless sensors will grow while sales will also be initiated in other international markets.

Notes to the Financial Statements

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost at 1 January	182.670
Cost at 31 December	182.670
Impairment losses and depreciation at 1 January	21.527
Depreciation for the year	60.785
Impairment losses and depreciation at 31 December	82.312
Carrying amount at 31 December	100.358
Depreciated over	3-5 years

5 Provision for deferred tax

	2018 DKK	2017 DKK
Intangible assets	404.000	243.000
Property, plant and equipment	-1.000	5.000
Tax loss carry-forward	-137.589	-102.549
	265.411	145.451

6 Contingent assets, liabilities and other financial obligations

There are no security and contingent liabilities at 31 December 2018.

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of Sensohive Technologies ApS for 2018 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 2018 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, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

7 Accounting Policies (continued)

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.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

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

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

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 and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Notes to the Financial Statements

7 Accounting Policies (continued)

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

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding years.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5	years
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Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

7 Accounting Policies (continued)

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.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Inventories

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

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

7 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

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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