
Sensohive Technologies ApS

Wichmandsgade 1, 1., DK-5000 Odense C

Annual Report for 1 January - 31 December 2017

CVR No 36 42 45 40

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
12/03 2018

Casper Bernhøj Harlev
Chairman



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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 2017.

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 2017 of the Company and of the results of the Company operations for 2017.

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

Odense, 12 March 2018

Executive Board

Casper Bernhøj Harlev
CEO

Board of Directors

Tobias Ejersbo Petersen
Chairman

Tim Folkmann Larsen

Thomas Juhl

Michael Voss-Jensen

Lars Friis

The Annual General Meeting has decided that the Financial Statements for next year are not to be subject to any audit.

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 2017 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 FSR – Danish Auditors' 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, 12 March 2018

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 Friis

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 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.

Key activities

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

Development in the year

The income statement of the Company for 2017 shows a loss of DKK 46,751, and at 31 December 2017 the balance sheet of the Company shows equity of DKK 4,098,492.

Income Statement 1 January - 31 December

	Note	2017 DKK	2016 DKK
Gross profit/loss		454.116	171.716
Staff expenses	1	-483.306	-562.976
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-28.421	0
Profit/loss before financial income and expenses		-57.611	-391.260
Financial income		0	63
Financial expenses		-733	-1.028
Profit/loss before tax		-58.344	-392.225
Tax on profit/loss for the year	2	11.593	85.048
Net profit/loss for the year		-46.751	-307.177

Distribution of profit

Proposed distribution of profit

Transfer for the year to other reserves	858.582	0
Retained earnings	-905.333	-307.177
	-46.751	-307.177

Balance Sheet 31 December

Assets

	Note	2017 DKK	2016 DKK
Acquired patents		80.386	0
Development projects in progress		1.100.747	0
Intangible assets	3	1.181.133	0
Other fixtures and fittings, tools and equipment		161.143	0
Property, plant and equipment	4	161.143	0
Investments in subsidiaries		50.000	0
Fixed asset investments		50.000	0
Fixed assets		1.392.276	0
Trade receivables		539.599	12.500
Other receivables		339.310	43.442
Deferred tax asset	5	0	85.120
Corporation tax		242.164	0
Receivables		1.121.073	141.062
Cash at bank and in hand		2.254.821	1.037.011
Currents assets		3.375.894	1.178.073
Assets		4.768.170	1.178.073

Balance Sheet 31 December

Liabilities and equity

	Note	2017 DKK	2016 DKK
Share capital		90.000	60.000
Reserve for development costs		858.582	0
Retained earnings		3.149.910	799.523
Equity		4.098.492	859.523
Provision for deferred tax	5	145.451	0
Provisions		145.451	0
Trade payables		293.016	27.423
Payables to owners and Management		10.251	22.124
Other payables		220.960	57.192
Deferred income		0	211.811
Short-term debt		524.227	318.550
Debt		524.227	318.550
Liabilities and equity		4.768.170	1.178.073
Accounting Policies	6		

Statement of Changes in Equity

	Share capital	Share premium account	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	60.000	0	0	799.523	859.523
Cash capital increase	30.000	3.255.720	0	0	3.285.720
Development costs for the year	0	0	858.582	0	858.582
Net profit/loss for the year	0	0	0	-905.333	-905.333
Transfer from share premium account	0	-3.255.720	0	3.255.720	0
Equity at 31 December	90.000	0	858.582	3.149.910	4.098.492

Notes to the Financial Statements

	2017 DKK	2016 DKK
1 Staff expenses		
Wages and salaries	436.134	552.630
Pensions	15.920	0
Other social security expenses	10.414	6.911
Other staff expenses	20.838	3.435
	483.306	562.976
Average number of employees	6	4
2 Tax on profit/loss for the year		
Current tax for the year	-242.164	0
Deferred tax for the year	230.571	-85.048
	-11.593	-85.048
3 Intangible assets		
	Acquired pa- tents	Development projects in progress
	DKK	DKK
Additions for the year	87.280	1.100.747
Cost at 31 December	87.280	1.100.747
Amortisation for the year	6.894	0
Impairment losses and amortisation at 31 December	6.894	0
Carrying amount at 31 December	80.386	1.100.747

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
Additions for the year	182.670
Cost at 31 December	182.670
Depreciation for the year	21.527
Impairment losses and depreciation at 31 December	21.527
Carrying amount at 31 December	161.143

5 Provision for deferred tax

Intangible assets	243.000	0
Property, plant and equipment	5.000	0
Tax loss carry-forward	-102.549	-85.120
Transferred to deferred tax asset	0	85.120
	<u>145.451</u>	<u>0</u>
Deferred tax asset		
Calculated tax asset	0	85.120
Carrying amount	<u>0</u>	<u>85.120</u>

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Sensohive Technologies 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, 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

6 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, revenue has not been disclosed in the Annual Report.

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.

Financial income and expenses

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

Notes to the Financial Statements

6 Accounting Policies (continued)

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

Depreciation period and residual value are reassessed annually.

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.

Notes to the Financial Statements

6 Accounting Policies (continued)

Investments in subsidiaries

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

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.

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 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.

Deferred income

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