Corporatehealth International ApS

Forskerparken 10 A, DK-5230 Odense M

Annual Report for 1 January - 31 December 2018

CVR No 36 53 96 90

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 26/6 2019

Mads Spanggard Rasmussen
Chairman of the General Meeting

Contents

Management's Statement

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

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 2018 of the Company and of the results of the Company operations for 2018.

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

Odense, 26 June 2019

Executive Board

Hagen Roland Wenzek	Christoph Cornelius Glismann

Board of Directors

Mads Spanggard Rasmussen Chairman	Arndt Oliver Friedrich Welsch-Lehmann	Christoph Cornelius Glismann
Hagen Roland Wenzek		

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

Independent Auditor's Report

To the Shareholders of Corporatehealth International ApS

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company 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.

We have audited the Financial Statements of Corporatehealth International ApS for the financial year 1 January - 31 December 2018, 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.

Other Matter
The company's comparative figures in the financial statements have not been audited, as is also stated in the financial statements.

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

Independent Auditor's Report

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 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 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.

Odense, 26 June 2019
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Poul Erik Jacobsen
statsautoriseret revisor
mne10086

Company Information

The Company	Corporatehealth International ApS Forskerparken 10 A DK-5230 Odense M CVR No: 36 53 96 90 Financial period: 1 January - 31 December Municipality of reg. office: Odense
Board of Directors	Mads Spanggard Rasmussen, Chairman Arndt Oliver Friedrich Welsch-Lehmann Christoph Cornelius Glismann Hagen Roland Wenzek
Executive Board	Hagen Roland Wenzek Christoph Cornelius Glismann
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Rytterkasernen 21 DK-5000 Odense C

Management's Review

Financial Statements of Corporatehealth International ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

Key activities

CorporateHealth International ApS (CHI) provides IT-enabled healthcare services to establish a new, scalable delivery model for optimized gastrointestinal disease investigations. Built upon standard workflows, centralized diagnostics and broadly leveraged IT for process innovation and automation, patients in many cases can be kept out of the classical clinical environment. This decreases costs and enables large scale roll-outs. Eventually, every person with a gastrointestinal disease should have the chance to get diagnosed early and everyone at risk of colorectal cancer (CRC) should be able to get a non-invasive, minimal-risk screening.

Development in the year

The income statement of the Company for 2018 shows a profit of EUR 20,209, and at 31 December 2018 the balance sheet of the Company shows equity of EUR 159,059.

2018 was dominated by preparation and execution of projects that will have a substantial impact on the future of the company:

Use of Machine Learning to include Artificial Intelligence into the managed service

An NHS England sponsored feasibility study proved the potential of AI to improve service productivity, reduce costs and with that make colon capsule endoscopy services competitive at scale. A much larger implementation project was won to receive funding to develop a solution for AI in capsule video image recognition over 24 months starting Jan 1st, 2019. The consortium partners of NHS Highland, NHS AGEM CSU, HIE, Catapult SA, Medilogik, Wolfram Research as well as the University of Barcelona and University Hospital Vall D'Hebron in Barcelona will all play a critical role in the project, that extends from colon into small bowel video capsule diagnostics.

Preparation of a 2,000-patient clinical trial for screening patients in Denmark

The fourth and possibly last stage of clinical trials at Odense University Hospital in the "CareForColon" program aspires to show the feasibility of using colon capsule endoscopy in a managed service to become a key tool in the national bowel cancer screening program. Through a project funded by the Southern Danish University OPI program, the CorporateHealth team in collaboration with Odense University Hospital, the Southern Danish University and sundhed.dk have been building the supporting back-end systems and run key tests. The trial itself is due to start in 4Q2019.

Planning and bidding for the first Innovation Partnership Contract in Scotland for a colon capsule endoscopy managed service

After successfully delivering the project "HICAP" (Highlands and Islands Capsule Project) to Northwest

Management’s Review

Scottish GP practices and the NHS hospital in Inverness, the planning for a national roll-out went into an NHS Scotland Procurement process. Under the umbrella of an Innovation Partnership Contract, a 2-phase project "SCOTCAP" for service evaluation and subsequent roll-out was put out for tender by the NHS Scotland. In preparation of the bid all capabilities from service organization, process optimization, IT development and business case preparation were brought together. If successful, SCOTCAP has the potential to establish a national program for all eligible Scottish patients to be diagnosed for bowel diseases faster and more conveniently than ever before. It's results can be easily replicated across the UK and in other countries, too.

Continuing remote teleendoscopy service delivery

Especially patients in remote and rural areas can benefit the most from a telemedically delivered GI diagnostic service. As an especially challenging project, a managed service pilot was successfully delivered in Nuuk, Greenland. Due to very limited standard endoscopy capacity and extremely remote environments, costs for GI diagnostics and the effort involved with it quickly justifies any new development. The limited scope pilot in Greenland's capital is scheduled to be expanded to even more remote places on the island and the experience be transferred to other regions across Europe.

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 EUR	2017 (Not audited) EUR
Gross profit/loss		**226.172**	**-187.245**
Staff expenses	3	-82.378	-64.452
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-24.245	-26.557
Profit/loss before financial income and expenses		**119.549**	**-278.254**
Financial income		4.303	1
Financial expenses		-97.988	-24.928
Profit/loss before tax		**25.864**	**-303.181**
Tax on profit/loss for the year	4	-5.655	66.665
Net profit/loss for the year		**20.209**	**-236.516**

Distribution of profit

Proposed distribution of profit

Retained earnings	20.209	-236.516
	20.209	**-236.516**

Balance Sheet 31 December

Assets

	Note	2018 EUR	2017 Not audited EUR
Development projects in progress		1.025.855	1.023.733
Intangible assets	5	**1.025.855**	**1.023.733**
Other fixtures and fittings, tools and equipment		9.764	34.009
Property, plant and equipment	6	**9.764**	**34.009**
Investments in subsidiaries	7	26.112	26.112
Fixed asset investments		**26.112**	**26.112**
Fixed assets		**1.061.731**	**1.083.854**
Trade receivables		7.010	12.879
Receivables from group enterprises		406.638	31.289
Other receivables		12.939	11.467
Corporation tax		0	113.482
Prepayments		110	110
Receivables		**426.697**	**169.227**
Cash at bank and in hand		**1.818**	**3.887**
Currents assets		**428.515**	**173.114**
Assets		**1.490.246**	**1.256.968**

Balance Sheet 31 December

Liabilities and equity

	Note	2018 EUR	2017 Not audited EUR
Share capital		9.842	9.842
Reserve for development costs		524.397	522.742
Retained earnings		-375.180	-393.734
Equity		**159.059**	**138.850**
Provision for deferred tax		96.486	90.831
Provisions		**96.486**	**90.831**
Payables to owners and Management		95.108	86.462
Other payables		1.067.849	910.794
Long-term debt	8	**1.162.957**	**997.256**
Other payables	8	71.744	30.031
Short-term debt		**71.744**	**30.031**
Debt		**1.234.701**	**1.027.287**
Liabilities and equity		**1.490.246**	**1.256.968**
Going concern	1		
Uncertainty regarding valuation of intercompany receivable and intangible assets	2		
Contingent assets, liabilities and other financial obligations	9		
Accounting Policies	10		

Statement of Changes in Equity

	Share capital	Reserve for development costs	Retained earnings	Total
	EUR	EUR	EUR	EUR
Equity at 1 January	9.842	522.742	-393.734	138.850
Development costs for the year	0	1.655	-1.655	0
Net profit/loss for the year	0	0	20.209	20.209
Equity at 31 December	**9.842**	**524.397**	**-375.180**	**159.059**

Notes to the Financial Statements

1 Going concern

The Company's liquidity reserves are limited at 31st December 2018.

There is by nature uncertainty as to whether sufficient financing will be provided. It is management's assessment that needed capital to support operations and ensure the final development of and market entrance for its projects will be provided partly in the form of revenue from patient projects and partly through short term directors' loans.

On the basis of the above, management assesses that the Company is going concern.

2 Uncertainty regarding valuation of intercompany receivable and intangible assets

At 31st December 2018 the Company has intangible assets relating to its development projects of kEUR 1,026 and an intercompany receivable with its subsidiary Corporatehealth International UK Ltd. of kEUR 370.

There is uncertainty as to the valuation of the intangible assets and the intercompany receivable. Management has recognized the assets based on expected positive cash flows from its own projects and projects owned by its subsidiary.

	2018 EUR	2017 (Not audited) EUR
3 Staff expenses		
Wages and salaries	80.929	63.847
Other social security expenses	1.449	605
	82.378	**64.452**
Average number of employees	**1**	**1**
4 Tax on profit/loss for the year		
Current tax for the year	0	-58.014
Deferred tax for the year	5.655	-8.651
	5.655	**-66.665**

Notes to the Financial Statements

5 Intangible assets

	Development projects in progress
	EUR
Cost at 1 January	1.023.734
Additions for the year	207.277
Disposals for the year	-205.156
Cost at 31 December	1.025.855
Carrying amount at 31 December	**1.025.855**

The Company is developing IT-enabled service products for video capsule endoscopy.

The service product "Home-Delivered Colon Capsule Endoscopy" has been demonstrated through multiple clinical trials achieving TRL 6. A system prototype is under development, managed through a collaborative project with Southern Danish University "CCFC - Commercializing CareForColon". Phase 1 - prototype preparation - has concluded end of 2018. Phase 2 (of 2-phase project) concludes in 08/2019 with the demonstration of that prototype at TRL 7.

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	EUR
Cost at 1 January	79.673
Cost at 31 December	79.673
Impairment losses and depreciation at 1 January	45.664
Depreciation for the year	24.245
Impairment losses and depreciation at 31 December	69.909
Carrying amount at 31 December	**9.764**

Notes to the Financial Statements

	2018 EUR	2017 Not audited EUR
7 Investments in subsidiaries		
Cost at 1 January	26.112	26.112
Carrying amount at 31 December	**26.112**	**26.112**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
CorporateHealth Germany GmbH	Hamburg	EUR 25.000	100%
CorporateHealth International UK Ltd	Edinburgh	GBP 1.000	100%

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:

	2018 EUR	2017 Not audited EUR
Payables to owners and Management		
Between 1 and 5 years	95.108	86.462
Long-term part	95.108	86.462
Within 1 year	0	0
	95.108	**86.462**
Other payables		
After 5 years	350.704	218.663
Between 1 and 5 years	717.145	692.131
Long-term part	1.067.849	910.794
Within 1 year	64.823	26.110
Other short-term payables	6.921	3.921
Short-term part	71.744	30.031
	1.139.593	**940.825**

9 Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with lenders:

Floating charge of kDKK 6,000 with security in receivables, inventories, other fixtures and machineries and intangible rights. The booked value of included assets is	1.462.316	1.226.969

Contingent liabilities

The company is part of proceedings regarding a terminated contract, in which a claim of kEUR 195 has been raised against the company. The management and the company's lawyer assess that the probability of an unfavourable outcome is less likely. On this background no provision has been made in relation to the claim.

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of Corporatehealth International ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018 are presented in EUR.

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.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

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.

Notes to the Financial Statements

10 Accounting Policies (continued)

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

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, work on own account recognised in assets, 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.

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

10 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

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 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 10 years.

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

Notes to the Financial Statements

10 Accounting Policies (continued)

expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3	years

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.

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.

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 subscriptions.

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.

Notes to the Financial Statements

10 Accounting Policies (continued)

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, such as mortgage loans and loans from credit institutions, 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.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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