



## Mechanohealth A/S

Gammel Vartov Vej 2  
2900 Hellerup  
CVR No. 39814862

## Annual report 27.08.2018 - 31.12.2019

The Annual General Meeting adopted the  
annual report on 10.08.2020

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**Morten Wind Lindegaard**  
Chairman of the General Meeting

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# Entity details

## Entity

Mechanohealth A/S  
Gammel Vartov Vej 2  
2900 Hellerup

CVR No.: 39814862  
Registered office: København  
Financial year: 27.08.2018 - 31.12.2019

## Board of Directors

Anna Thalena Iversen  
Kirsten Katrine Lindegaard  
Mads Iversen  
Rasmus Just, formand  
Jørgen Lindegaard  
Robert Olof Axelsson

## Executive Board

Jørgen Lindegaard, adm. dir.

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
P. O. Box 1600  
0900 Copenhagen C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Mechanohealth A/S for the financial year 27.08.2018 - 31.12.2019.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 27.08.2018 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Hellerup, 19.06.2020

## Executive Board

**Jørgen Lindegaard**  
adm. dir.

## Board of Directors

**Anna Thalena Iversen**

**Kirsten Katrine Lindegaard**

**Mads Iversen**

**Rasmus Just**  
formand

**Jørgen Lindegaard**

**Robert Olof Axelsson**

# The independent auditor's compilation report

## To Management of Mechanohealth A/S

We have compiled the financial statements of Mechanohealth A/S for the financial year 27.08.2018 - 31.12.2019 based on the Entity's bookkeeping records and other information Management has provided.

These financial statements comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct for professional accountants, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile the financial statements are Management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion about whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 19.06.2020

## **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

## **René Carøe Andersen**

State Authorised Public Accountant  
Identification No (MNE) mne34499

# Management commentary

## Primary activities

The company's purpose is to operate clinics in Denmark under the franchise agreement and related activities.

## Development in activities and finances

The company's first fiscal year shows a loss of DKK 2,322 thousand.

The share capital has been lost. The company's management expects the capital to be re-established through its own earnings or capital raising from its owners.

Please refer to note 1 for mention of the conditions for continued operation.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Income statement for 2018/19

	Notes	2018/19 DKK
<b>Gross profit/loss</b>		<b>(266,241)</b>
Staff costs	2	(987,274)
Depreciation, amortisation and impairment losses	3	(970,394)
<b>Operating profit/loss</b>		<b>(2,223,909)</b>
Other financial expenses		(98,405)
<b>Profit/loss for the year</b>		<b>(2,322,314)</b>
<b>Proposed distribution of profit and loss</b>		
Retained earnings		(2,322,314)
<b>Proposed distribution of profit and loss</b>		<b>(2,322,314)</b>

# Balance sheet at 31.12.2019

## Assets

	Notes	2018/19 DKK
Acquired licences		4,270,917
<b>Intangible assets</b>	4	<b>4,270,917</b>
Other fixtures and fittings, tools and equipment		742,466
Leasehold improvements		648,113
<b>Property, plant and equipment</b>	5	<b>1,390,579</b>
<b>Fixed assets</b>		<b>5,661,496</b>
Trade receivables		2,625
<b>Receivables</b>		<b>2,625</b>
<b>Current assets</b>		<b>2,625</b>
<b>Assets</b>		<b>5,664,121</b>



**Equity and liabilities**

	<b>Notes</b>	<b>2018/19 DKK</b>
Contributed capital		400,000
Retained earnings		(2,322,314)
<b>Equity</b>		<b>(1,922,314)</b>
Other payables		4,833,055
<b>Non-current liabilities other than provisions</b>	<b>6</b>	<b>4,833,055</b>
Bank loans		1,742,143
Trade payables		17,000
Other payables		994,237
<b>Current liabilities other than provisions</b>		<b>2,753,380</b>
<b>Liabilities other than provisions</b>		<b>7,586,435</b>
<b>Equity and liabilities</b>		<b>5,664,121</b>
Going concern	1	
Unrecognised rental and lease commitments	7	

# Statement of changes in equity for 2018/19

	Contributed capital DKK	Retained earnings DKK	Total DKK
Contributed upon formation	400,000	0	400,000
Profit/loss for the year	0	(2,322,314)	(2,322,314)
<b>Equity end of year</b>	<b>400,000</b>	<b>(2,322,314)</b>	<b>(1,922,314)</b>

# Notes

## 1 Going concern

It is a prerequisite for the company's continued operation that the company's shareholders continue to support the company. A shareholder has made a statement of support limited to DKK 2 million for the company with maturity on 31 May 2021. Based on the financial support and expected positive developments for the coming years, management expects years to be able to continue operating. On this basis, the company's management has reported the annual report with continued operation.

## 2 Staff costs

	<b>2018/19</b>
	<b>DKK</b>
Wages and salaries	963,570
Pension costs	12,021
Other social security costs	11,683
	<b>987,274</b>
Average number of full-time employees	<b>3</b>

## 3 Depreciation, amortisation and impairment losses

	<b>2018/19</b>
	<b>DKK</b>
Amortisation of intangible assets	564,083
Depreciation of property, plant and equipment	406,311
	<b>970,394</b>

## 4 Intangible assets

	<b>Acquired licences DKK</b>
Additions	4,835,000
<b>Cost end of year</b>	<b>4,835,000</b>
Amortisation for the year	(564,083)
<b>Amortisation and impairment losses end of year</b>	<b>(564,083)</b>
<b>Carrying amount end of year</b>	<b>4,270,917</b>

## 5 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improvements DKK</b>
Additions	977,626	819,265
<b>Cost end of year</b>	<b>977,626</b>	<b>819,265</b>
Depreciation for the year	(235,160)	(171,152)
<b>Depreciation and impairment losses end of year</b>	<b>(235,160)</b>	<b>(171,152)</b>
<b>Carrying amount end of year</b>	<b>742,466</b>	<b>648,113</b>

## 6 Non-current liabilities other than provisions

	<b>Due after more than 12 months 2018/19 DKK</b>
Other payables	4,833,055
	<b>4,833,055</b>

## 7 Unrecognised rental and lease commitments

	<b>2018/19 DKK</b>
Liabilities under rental or lease agreements with associates until maturity	<b>2,625,000</b>

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of raw materials and consumables and external expenses.

### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and

losses from the sale of intangible assets and property, plant and equipment.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

**Balance sheet**

**Intellectual property rights etc**

Intellectual property rights etc comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement. The depreciation period is 10 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

**Property, plant and equipment**

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.