

BrainCapture ApS

Elektrovej 331, 2800 Kongens Lyngby

Company reg. no. 40 65 17 21

Annual report

1 July 2019 - 31 December 2020

The annual report was submitted and approved by the general meeting on the 22 April 2021.

Tue Lehn-Schiøler
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's report	3
Independent auditor's report on extended review	4
Management commentary	
Company information	6
Management commentary	7
Financial statements 1 July 2019 - 31 December 2020	
Income statement	8
Statement of financial position	9
Statement of changes in equity	11
Notes	12
Accounting policies	13

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of BrainCapture ApS for the financial year 1 July 2019 - 31 December 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 July 2019 – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Kongens Lyngby, 22 April 2021

Managing Director

Tue Lehn-Schiøler

Board of directors

Jacob Klinge Jacobsen

Tue Lehn-Schiøler

Michael Dybkjær Holbech

Independent auditor's report on extended review

To the shareholders of BrainCapture ApS

Opinion

We have performed an extended review of the financial statements of BrainCapture ApS for the financial year 1 July 2019 to 31 December 2020, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, we believe that the financial statements give a fair presentation of the assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 July 2019 - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We performed the extended review in accordance with the standard from the Danish Business Authority applicable to auditor's reports on small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable to extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the extended review of the financial statements". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a fair presentation in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management considers necessary to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 unless the 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 extended review of the financial statements

Our responsibility is to express an opinion on the financial statements. This requires that we plan and perform our procedures with the purpose of achieving moderate assurance as to our opinion on the financial statements. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

Independent auditor's report on extended review

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an assessment of the achieved evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion on the management commentary.

In connection with our extended review the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the extended review, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management commentary is consistent with the financial statements and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not discover any material misstatement in the management commentary.

Alleroed, 22 April 2021

Piaster Revisorerne

Statsautoriseret Revisionsaktieselskab
Company reg. no. 25 16 00 37

Kaspar Hartmann-Petersen
State Authorised Public Accountant
mne45833

Company information

The company

BrainCapture ApS
Elektrovej 331
2800 Kongens Lyngby

Company reg. no. 40 65 17 21
Domicile: Lyngby-Taarbæk
Financial year: 1 July 2019 - 31 December 2020

Board of directors

Jacob Klinge Jacobsen
Tue Lehn-Schiøler
Michael Dybkjær Holbech

Managing Director

Tue Lehn-Schiøler

Auditors

Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab
Engholm Parkvej 8
3450 Allerød

Management commentary

The principal activities of the company

During the financial year, the company's main activities consisted of the development and commercialization of electromedical equipment for monitoring, warning, diagnosing epilepsy in low - medium income economies.

Development in activities and financial matters

The result of the year is considered satisfying.

Income statement

All amounts in DKK.

<u>Note</u>	1/7 2019 - 31/12 2020
Gross loss	-192.391
1 Staff costs	-431.017
Operating profit	-623.408
Other financial costs	-23.119
Pre-tax net profit or loss	-646.527
2 Tax on net profit or loss for the year	140.974
Net profit or loss for the year	-505.553
 Proposed appropriation of net profit:	
Allocated from retained earnings	-505.553
Total allocations and transfers	-505.553

Statement of financial position

All amounts in DKK.

Assets	31/12 2020
<u>Note</u>	<u></u>
Current assets	
Income tax receivables	140.974
Other receivables	36.576
Total receivables	<u>177.550</u>
Cash on hand and demand deposits	<u>1.268.625</u>
Total current assets	<u>1.446.175</u>
Total assets	<u>1.446.175</u>

Statement of financial position

All amounts in DKK.

<u>Note</u>	<u>31/12 2020</u>
Equity and liabilities	
Equity	
Contributed capital	57.136
Retained earnings	223.719
Total equity	280.855
Liabilities other than provisions	
3 Other payables	1.011.517
Total long term liabilities other than provisions	1.011.517
Trade payables	25.000
Other payables	128.803
Total short term liabilities other than provisions	153.803
Total liabilities other than provisions	1.165.320
Total equity and liabilities	1.446.175

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 July 2019	0	0	0
Cost related to founding capital	0	-3.595	-3.595
Founding capital	40.000	0	40.000
Retained earnings for the year	0	-505.553	-505.553
Cash capital reduction	17.136	732.867	750.003
	57.136	223.719	280.855

Notes

All amounts in DKK.

	1/7 2019 - 31/12 2020
	<u> </u>
1. Staff costs	
Salaries and wages	429.313
Other costs for social security	<u>1.704</u>
	<u>431.017</u>
Average number of employees	<u>1</u>
2. Tax on net profit or loss for the year	
Tax on net profit or loss for the year	<u>-140.974</u>
	<u>-140.974</u>
3. Other payables	
Total other payables	1.011.517
Share of amount due within 1 year	<u>0</u>
Total other payables	<u>1.011.517</u>
Share of liabilities due after 5 years	<u>471.169</u>

Accounting policies

The annual report for BrainCapture ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Accounting policies

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Accounting policies

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registereret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Tue Lehn-Schiøler

Direktør

Serienummer: PID:9208-2002-2-550843164056

IP: 2.108.xxx.xxx

2021-04-25 14:07:51Z

NEM ID 

Tue Lehn-Schiøler

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-550843164056

IP: 2.108.xxx.xxx

2021-04-25 14:07:51Z

NEM ID 

Tue Lehn-Schiøler

Dirigent

Serienummer: PID:9208-2002-2-550843164056

IP: 2.108.xxx.xxx

2021-04-25 14:07:51Z

NEM ID 

Michael Dybkjær Holbech

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-386630834564

IP: 87.73.xxx.xxx

2021-04-25 17:31:07Z

NEM ID 

Jacob Klinge Jacobsen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-666640617767

IP: 213.237.xxx.xxx

2021-04-26 06:36:29Z

NEM ID 

Kaspar Hartmann-Petersen

Revisor

Serienummer: CVR:25160037-RID:72182331

IP: 62.242.xxx.xxx

2021-04-26 06:36:59Z

NEM ID 

Penneo dokumentnøgle: XTMOT-QGVET-P4V34-DIZEM-BZOMZ-88LD2

Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstempet med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service** <penneo@penneo.com>. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: <https://penneo.com/validate>