

ANNUAL REPORT

2021

“

With the help of the Monsenso solution, the clinician will be able to personalise the treatment to fit each client's needs. It also allows for clinicians to be more proactive and reach out to clients at the time they need help in order to avoid potential relapses”

*Ikast Brande Municipality
Addiction services*

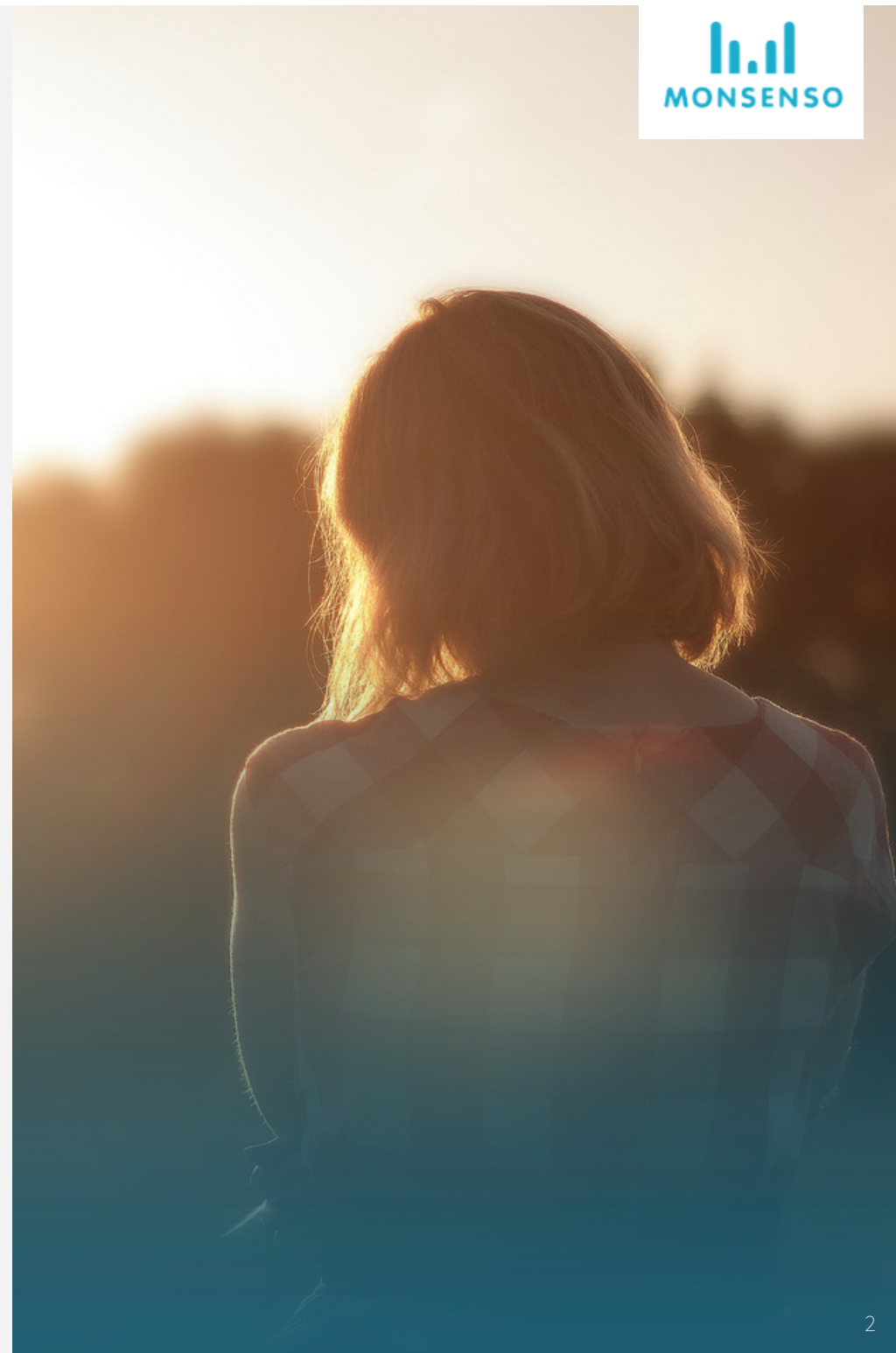
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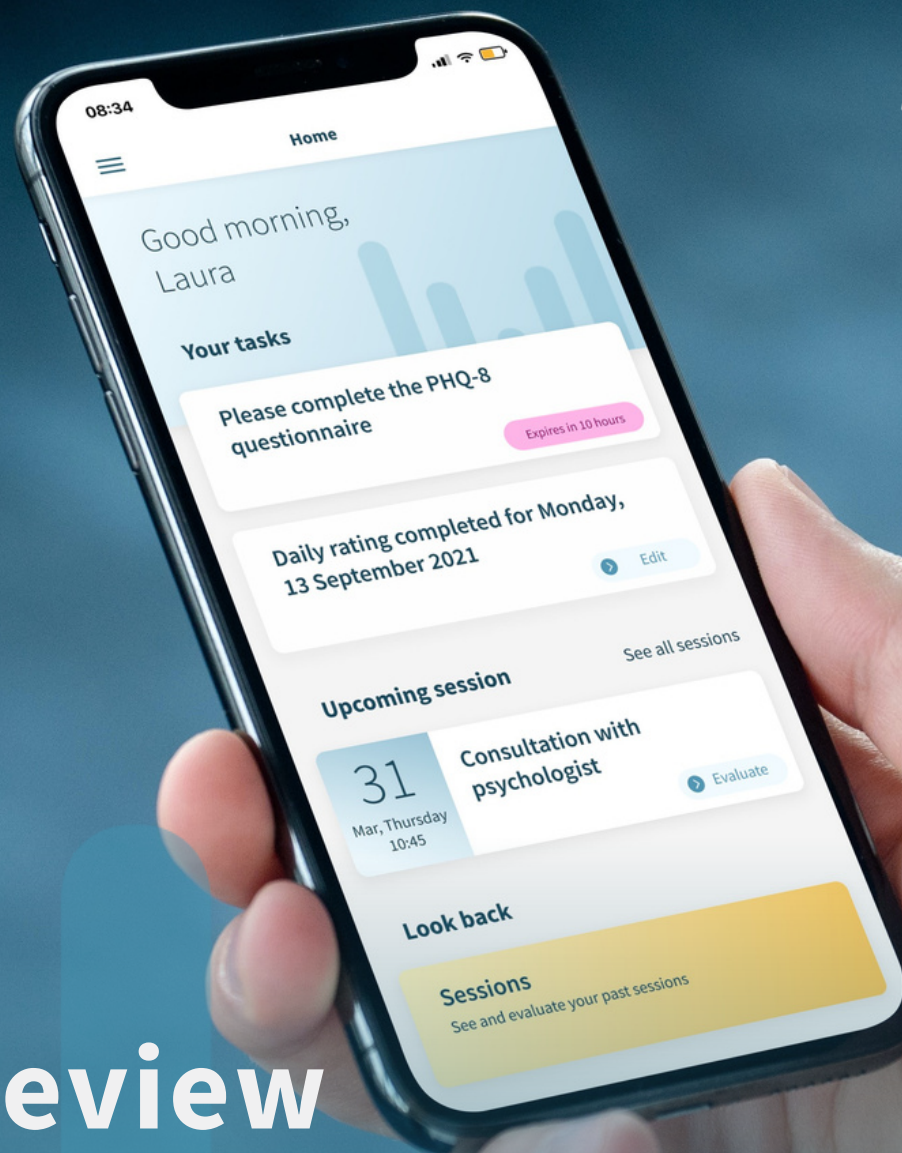
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Disclaimer

This report contains forward-looking statements, which are based on the current expectations of the management. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual results and developments deviating substantially from what has been expressed or implied in such statements.



Management's review

Annual report 2021

Monsenso at a glance

Monsenso was established in late 2013 as a spin-out from the IT University of Copenhagen based on research conducted in the EU-supported MONARCA project.

Today, Monsenso is a commercial company where research is firmly rooted in our DNA.

In collaboration with patients, clinicians, researchers and carers, we have developed a mobile mental health solution that connects patients with their clinicians to help deliver the right treatment to the right patients at the right time.

The solution has already been used in 15 countries, in ten languages and in three continents.

Investment in Monsenso

In 2020, Monsenso was listed on Nasdaq First North in Denmark (ticker: MONSO) and raised capital for future global growth to enter new markets and further develop our solution and technological leadership.

In late 2021, a right issue was established to further strengthen the capital foundation.

A journey that more than 2200 investors have chosen to join.

Overview

- Large, growing and globally unresolved clinical need
- Validated SaaS / cloud-based mobile mental health solution
- Based on 8 years of clinical and technological research and development
- CE-marked, ISO 13485 and ISO 27001 certified
- Demonstrated proof-of-business with public and private healthcare organizations as well as pharmaceuticals
- Scalable partnerships
- Experienced team and board of directors

Monsenso was established to help patients, carers, clinicians, healthcare systems and researchers to deliver better mental health to more people at a lower cost.

Monsenso does this by continuously developing its clinically validated, easy-to-use and scalable digital health solution, which can be adapted to the life of patients, clinicians and healthcare systems.

Our vision

By 2025, Monsenso aims to be a leading international provider in the digital mental health solutions market. We will be an international commercially sound business firmly founded in research.

Our scalable, customisable and easy-to-use solution will be marketed internationally through partnerships with pharmaceutical and private providers, and we will leverage the patient data collected to provide automated AI-driven prevention, treatment, and diagnosis in the mental health space. Based on data and insights, the solution will proactively provide advice and guidance to patients, health professionals and partners to help improve the mental health of the population.



2021 overview

7.1m

DKK in revenue in 2021

74%

of revenue generated outside of Denmark

12.6m

in gross proceeds from a rights issue in Q4 2021

2260+

shareholders as per Feb. 2022

18

full-time equivalent employees end-of-year 2021

15

countries. Our solution has been implemented across 15 countries

10

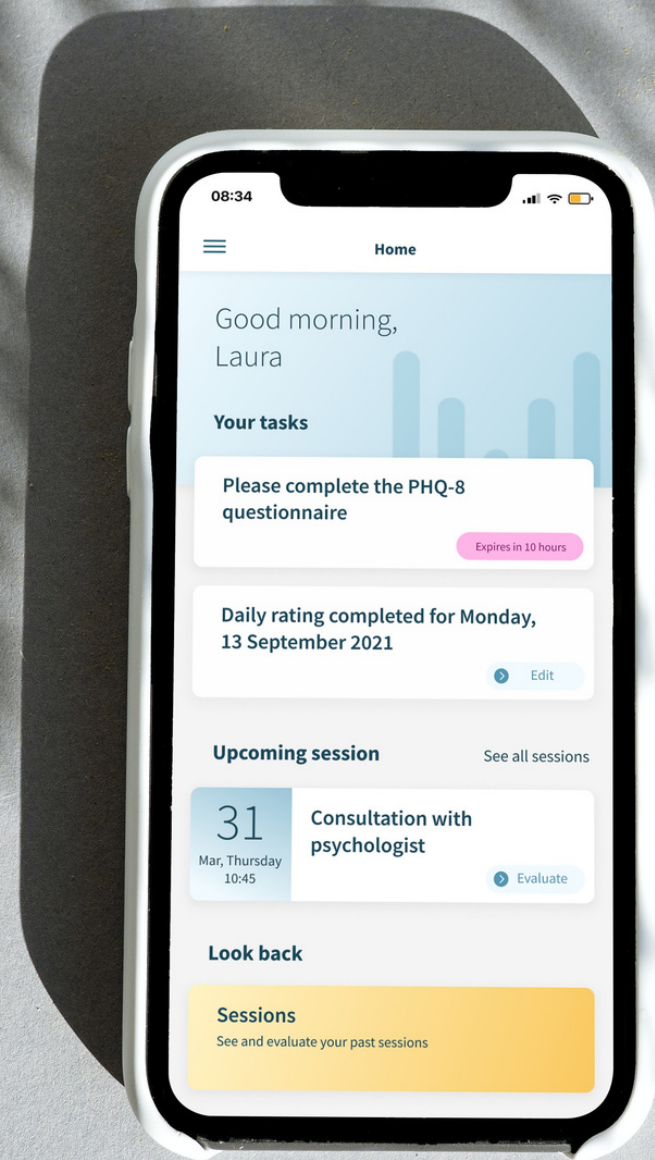
psychiatric and neurologic disorders are supported by Monsenso solution

20+

research projects and engagements

70+

published peer-reviewed papers



Letter from the CEO

2021 was a challenging year for Monsenso. While we closed a number of new commercial orders in the healthcare, social care, life sciences and research sectors, we experienced delays in existing implementation projects - partly due to Covid-19 - and a few large potential orders did not fall out to our advantage as expected. We consequently did not live up to our own expectations and we therefore had to reduce our guidance for revenue during the year.

Customer and project implementations

During the year, we continued to win domestic and international customers in both health care, social care, life science and research.

Among others, we closed customer contracts with the Capital Region of Denmark, Region Zealand, Awakn Life Sciences, ESAA, NTNU and Aabenraa municipality. We started supporting back-to-work services for Jobcentres in Danish municipalities together with the private provider Empano.

Our ongoing implementations of both pharma contracts and research projects across Europe and the Middle East continued although at a slower speed than expected. Among others, Covid-19 caused delay in recruitment of sites and patients in some of our delayed projects. Implementations and onboarding will continue through 2022 and the impact of the delay is that subscription revenue is pushed into the future.

Continued research

In Denmark, our Innovation Fund Denmark projects RADMISS and ENTER were concluded and publications related to projects were published, the HedaX (health data exchange) project continued and in collaboration with Scleroseforening, we configured and started the test of our solution in people with Multiple Sclerosis.

In the Horizon 2020 project ECoWeB, almost 3000 young people were recruited across the UK, Germany, Belgium and Spain to use a self-help version of Monsenso to help build emotional competence and resilience in a prevention trial. Results of the trial will be published in 2022 along with results from a UK trial conducted with University of Exeter.

Our WellCO project concerning physical and mental health in elderly people was finalised with dissemination progressing, and the trial of our R-LiNK study in bipolar disorder across Europe will commence in the first half of 2021.

Product development

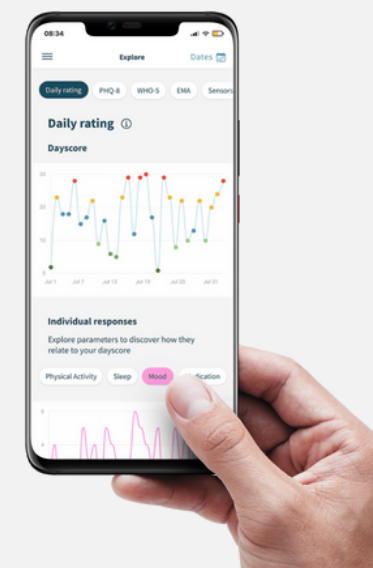
We continued investments in product development with improved patient data collection capabilities, enhanced scalability and development of a new version of our clinical web portal for launch in Q1 2022, and a new version of our patient app for launch in Q2 2022 as well as planned AI features for launch in

the second half of 2022 with our MDR certification.

We received Cyber Essentials accreditation in UK, became HIPAA compliant for US, and we plan MDR (Medical Device Regulation) certification in 2022 to make sure we are compliant with requirements of health and social care requirements across Europe.

The demand for mental health services is far higher than supply. We do not have and will not get enough trained health professionals internationally to address the increasing need and only data-driven technology solutions can help close that gap in a scalable way.

Thomas Lethenborg
CEO



Letter from the CEO

Monsenso capital raise

DKK 12.6M was raised from Nasdaq First North in a rights issue in Q4 2021 in order to secure funding for our ongoing growth plan. The proceeds will be used to support our plan towards profitable international growth in 2022 and beyond.

Growth expectations

The markets for digital mental health and real-world data collection continue to be very attractive, and despite the challenges in 2021, we retain our ambitions to create international growth.

The strategy for the next phase of the Monsenso's development is to continue to expand Monsenso's

technological solution, develop treatment support content, increase configurability and scalability and further automate decision support for patients and clinicians using AI functionality.

With the sales organization already in place in Denmark and the UK, we will develop international partnerships with pharmaceuticals and private clinical partners in Europe as well as sell directly to health and social care in Denmark and the UK.

The feedback we receive on the new product improvements, the reopening of society after Covid-19 and our current sales pipeline gives on confidence that 2022 will bring us back on a growth track.

Outlook 2022

For 2022, we expect growth in revenue of approximately 30-70%. Guidance on revenue is DKK 9m to 12m and on EBITDA DKK -3m to -2m.

The guidance is associated with uncertainties, as the revenue depends on the progress of a number of large projects.

More information on uncertainties and cash forecast through 2022 is included in notes 2 and 3 of the financial statement.

Events after the balance sheet date

No events materially affecting the assessment of the interim report have occurred after the balance sheet date.



Thomas Lethenborg, CEO

Key events in 2021



April

Monsenso gets Cyber Essentials certified to be prepared for requirements in Social care and NHS in UK.



May

Monsenso signs two contracts within addiction, the Centre for Social Psychiatry and Substance Abuse in Aabenraa municipality, Denmark and Norwegian University of Science & Technology



July

Monsenso signs two contracts with the Research Unit for Psychotherapy and Psychopathology, Psychiatry West, Slagelse, Region Zealand Mental Health Services.



November

Monsenso has signed an agreement with Awakn, a leading, global biotech company, to support the company's psychedelic treatments.

May

Monsenso signs a contract with the Elite Sports Academy Aarhus (ESAA), who will use the Monsenso solution to promote mental wellbeing among ESAA's students.



July

Monsenso expands collaboration with Empano, a private provider of psychiatry services, signing a new contract to help citizens with stress return to work in the municipality of Slagelse.



October

Monsenso moves into a new disorder area with a new project covering Multiple Sclerosis. The project is part of the HedaX research project and is conducted with the Danish Multiple Sclerosis Society.



December

Monsenso raises DKK 12.6m through a rights issue on Nasdaq First North, Denmark.



“

Monsenso provides me with
more insight
and supports a much
faster intervention

Psychiatrist



Financial review

Income Statement

The total revenue in 2021 decreased by 21 % to DKK 7,143k from DKK 9,063k in 2020. The commercial part of revenue for 2021 is decreased by 13% compared to 2020 and counts for 82% compared to 74% for 2020.

The gross margin decreased from 70% in 2020 to 66% in 2021. The total operating expenses (OPEX) increased from DKK 9,705k in 2020 to DKK 12,244k in 2021 mainly driven by more employees in sales, marketing, research, and development.

In 2021, EBITDA was DKK (5,102k) compared to DKK (2,298k) in 2020, due to a decrease in revenue and expansion of the organisation.

The net result for 2021 was DKK (8,153k) compared to DKK (4,713k) in 2020.

The average number of full-time employees (FTE) increased from 14 in 2020 to 20 in 2021.

Cash flow

Cash flow from operating activities has decreased from DKK 2,906k to DKK (4,383k) mainly due to lower prepayments from customers.

Investing activities have increased from DKK 4,684k to DKK 11.256k due to increased paid investments in development projects.

Cash flow from financing activities in 2021 was DKK 10,941k due to proceeds from a capital raise and warrant exercise during 2021.

Assets

Total assets end of 2021 has changed from DKK 28,604k to DKK 27,053k mainly due to less cash and cash equivalents but larger investments in development projects.

Equity

At the end of 2021, total equity amounted to DKK 21,442k compared to the end of 2020 DKK 18,654k. The changes in equity are due to capital increases of DKK 12,722k, deducted by the related costs of DKK 1,781k.

Follow-up on previously reported expectations for 2021

In November 2021 before capital raise, we communicated expected revenue of DKK 7-8m for 2021, the export share of min. 70% and EBITDA at a level between DKK (6.5m) - (5.5m).

The total revenue for 2021 realized DKK 7.1m, the export share of 74% and EBITDA was (5.1m).

Key figures and ratios

('000 DKK)	2021	2020
Income Statement		
Revenue	7,143	9,063
Gross profit	4,701	6,345
EBITDA	(5,102)	(2,298)
Operating profit (EBIT)	(9,021)	(5,874)
Profit (loss) for the period	(8,153)	(4,713)
Balance sheet		
Cash and cash equivalents	7,765	12,463
Total assets	27,053	28,604
Equity	21,442	18,654
Cash Flow		
Operating activities	(4,383)	2,906
Investing activities	(11,256)	(4,684)
Financing activities	10,941	14,021
Other key figures and ratios		
Gross Margin	66%	70%
Revenue, commercial part	5,860	6,744
Commercial revenue in % of Total revenue	82%	74%
Total investment in R&D	(9,867)	(5,967)
Total operating expenses (OPEX)	(12,244)	(9,705)
Average no. of employees (FTE)	20	14
No. of employees (FTE) end of period	18	19
Net profit per share (DKK)	(0.60)	(0.41)
No. of shares end of period ('000)	23,151	13,302
Net profit per share, diluted (DKK)	(0.55)	(0.38)
No. of shares end of period, diluted ('000)	24,464	14,615
MONSO share price end of period DKK	1.20	12.34
Market cap (mio DKK)	28	164

Shareholder information

Monsenso A/S has been listed on Nasdaq First North Growth Market Denmark since June 10, 2020

Share capital and warrants

At the end of 2021, the share capital comprised 23,150,873 shares of DKK 0,1 each, corresponding to the nominal share capital of DKK 2,315,087.30.

The company only has one share class, and all shares hold equal rights. Each share carries one vote. The shares must be named and noted in the company's share register in order to give the holder access to voting.

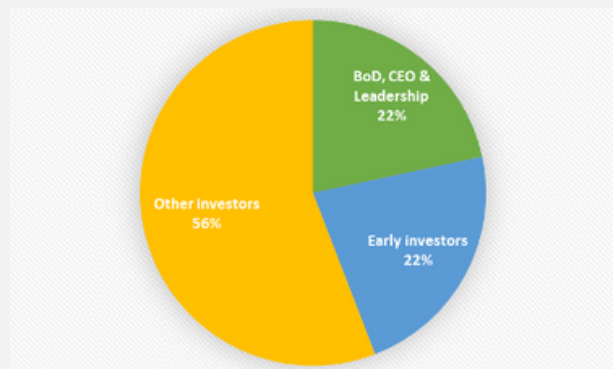
Through the years 2017- 2021, the company has issued 1,912,600 warrants with the rights to exercise new shares of nom DKK 191,260 for the board of directors, management and employees. The warrants have a vesting period of 1-4 years. All warrants are vested in April 2024. Only 811,690 of the warrants (42%) is "in the money" based on the share price end of 2021.

Ownership

44% of the share capital was still owned by early investors, of which 22 % owned by the board of directors, management and leadership team.

Largest shareholders

Bardram.Net ApS (Founder and board member) owns 13%.



Largest shareholders, Feb. 2022.

Dividend policy

The company has not paid any dividend, and until further notice, the company's policy is to invest any profit into the growth of the company.

Capital raise during 2021

The company issued DKK 9,689,738 new shares at a price of DKK 1.3 per share. The offering provided gross proceeds of DKK 12.6m. and the net proceeds of DKK 10.8m. after costs to advisors. Exercise of warrants during 2021 amounts at a total of DKK 0.1m.

The Monsenso share

The company's share price was the end of the year 2021 DKK 1.1980 per share, equal to a market valuation of DKK 28m. The share price has decreased by 77% since the IPO in June 2020.

Investor relations

The company provide relevant information via our [website](#), where all company announcements and investor news stories are available. Investors are also encouraged to sign up for the Monsenso investor newsletter.

2022 Financial Calendar

Annual general meeting – April 6, 2022
Half-year report – August 31, 2022
Annual report – March 9, 2023

Share data

Ticker code: MONSO
Market place: Nasdaq First North Growth Market Denmark
Date of listing: June 10, 2020
ISIN Code: DK0061277977
Currency: DKK
No. of shares outstanding: 23,150,873
Share price December 31, 2021: 1.1980

“

Monsenso allows me to monitor patients more closely; their ups and downs, enabling me to intervene before they become really ill.

Psychiatrist

Financial statements

Annual report 2021

Income statement

('000 DKK)	Note	Group 2021	Group 2020	Parent 2021	Parent 2020
Revenue		7,143	9,063	7,143	9,063
Cost of revenue	4	(2,442)	(2,718)	(2,439)	(2,681)
Gross profit		4,701	6,345	4,704	6,382
Sales & marketing costs	4,5	(6,050)	(3,801)	(4,709)	(3,774)
Research & development costs	4,5	(4,404)	(3,996)	(4,389)	(3,984)
General & administrative costs	4,5	(3,268)	(2,766)	(3,247)	(2,714)
Other operating expenses	6	-	(1,656)	-	(1,656)
Operating profit (EBIT)		(9,021)	(5,874)	(7,641)	(5,746)
Profit (loss) in subsidiaries		-	-	(1,414)	(105)
Financial income	2	9	2	9	
Financial expenses		(317)	(379)	(307)	(379)
Profit (loss) before tax		(9,336)	(6,244)	(9,360)	(6,221)
Tax on profit/loss for the period	7	1,183	1,531	1,207	1,508
Profit (loss) for the period		(8,153)	(4,713)	(8,153)	(4,713)
Distribution of profit (loss):					
Retained earnings		(8,153)	(4,713)	(8,153)	(4,713)
Other share information					
Net profit per share (DKK)		(0.60)	(0.41)	(0.60)	(0.41)
Net profit per share, diluted (DKK)		(0.55)	(0.38)	(0.55)	(0.38)

Accounting policies

1

Uncertainties and estimates

2

Cash forecast

3

Cash flow

('000 DKK)	Note	Group 2021	Group 2020
Operating profit (EBIT)		(9,021)	(5,874)
Depreciations and amortisations	5	3,919	3,576
EBITDA		(5,102)	(2,298)
Cost regarding the initial public offering	6	-	1,656
Financial payments		(316)	(370)
Cash flow before working capital		(5,418)	(1,012)
Changes in receivables		2,618	(50)
Changes in current liabilities		(1,583)	3,968
Cash flow from operating activities		(4,383)	2,906
Purchase of intangible assets		(11,256)	(4,566)
Purchase of tangible assets		-	(118)
Cash flow from investing activities		(11,256)	(4,684)
Repayment of loans		0	(3,597)
Proceeds from capital increase, net of costs		10,941	17,618
Cash flow from financing activities		10,941	14,021
Net cash flow per year		(4,698)	12,243
Cash and cash equivalents, beginning of year		12,463	220
Net cash flow		(4,698)	12,243
Cash and cash equivalents, end of year		7,765	12,463

Balance sheet

('000 DKK)	Note	Group 2021	Group 2020	Parent 2021	Parent 2020
Intangible assets	8	15,243	10,650	15,243	10,650
Tangible assets	9	7	19	7	19
Deposits	9	144	144	144	144
Total non-current assets		15,394	10,813	15,394	10,813
Accounts receivable		1,082	3,654	1,082	3,654
Other receivable		206	165	185	165
Deferred tax assets		-	169	-	146
Corporation tax		2,333	980	2,333	980
Prepayments		273	360	252	352
Receivables		3,894	5,328	3,852	5,297
Cash and cash equivalents		7,765	12,463	7,728	12,463
Total current assets		11,659	17,791	11,580	17,760
Total assets		27,053	28,604	26,974	28,573
Share capital		2,315	1,330	2,315	1,330
Reserve for development costs		-	-	11,309	7,032
Other reserves		57	57	57	57
Retained earnings		19,070	17,267	7,761	10,235
Equity		21,442	18,654	21,442	18,654
Accounts payables		278	562	277	561
Prepayments from customers		1,255	4,931	1,256	4,931
Other liabilities		4,078	4,457	3,999	4,427
Current liabilities		5,611	9,950	5,532	9,919
Liabilities		5,611	9,950	5,532	9,919
Equity and liabilities		27,053	28,604	26,974	28,573
Contingent liabilities	10				

Equity

('000 DKK)	Share Capital	Share Premium	Reserve dev. costs	Other reserves	Retained earnings	Total
Group 2020						
Equity 1 January 2020	944	-	5,133	57	(2,041)	4,093
Capital increase	386	19,623				20,009
Costs regarding capital increase		(735)				(735)
Transfers		(18,888)	(7,032)		25,920	-
Profit (loss) for the period			1,899		(6,612)	(4,713)
Equity 31 December 2020	1,330	-	-	57	17,267	18,654
Group 2021						
Equity 1 January 2021	1,330	-	-	57	17,267	18,654
Capital increase	985	11,737				12,722
Costs regarding capital increase		(1,781)				(1,781)
Transfers		(9,956)			9,956	-
Profit (loss) for the period			-		(8,153)	(8,153)
Equity 31 December 2021	2,315	-	-	57	19,070	21,442
Parent company 2020						
Equity 1 January 2020	944	0	5,133	57	(2,041)	4,093
Capital increase	386	19,623				20,009
Costs regarding capital increase		(735)				(735)
Transfers		(18,888)			18,888	-
Profit (loss) for the period			1,899		(6,612)	(4,713)
Equity 31 December 2020	1,330	-	7,032	57	10,235	18,654
Parent company 2021						
Equity 1 January 2021	1,330	-	7,032	57	10,235	18,654
Capital increase	985	11,737				12,722
Costs regarding capital increase		(1,781)				(1,781)
Transfers		(9,956)			9,956	-
Profit (loss) for the period			4,277		(12,430)	(8,153)
Equity 31 December 2021	2,315	-	11,309	57	7,761	21,442

Notes

Note 1: Accounting policies

Reporting class

The Annual Report 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 principles are unchanged from last year.

The consolidated financial statements for 2021 are presented in T 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 recognized in the income statement, including depreciation, amortization, 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 Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Consolidation principles

The consolidated financial statements comprise Monsenso A/S (parent company) and subsidiaries in which the Group directly or indirectly holds more than 50% of the votes or in which the parent company, through shared ownership or otherwise, exercises control. Monsenso A/S and its subsidiaries are referred to as the Group. On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as realised and unrealised profits and losses on transactions between the consolidated enterprises.

The parent company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Translation policies

DKK is used as the presentation currency. All other currencies are regarded as foreign currencies. 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."

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

The SaaS software is not installed on the customers' own servers but is delivered as a cloud-service that Monsenso manages. The customer continuously receives this service, which includes subscription, support and maintenance during the term of the agreement and is recognised linearly over the contract period.

Revenue from consulting services is provided on a per hour or fixed-price basis. Per-hour consultancy is recognised, when the hours are delivered. For fixed-price contracts, work in progress is included in revenue based on the stage of completion, so that revenue corresponds to the selling price of work performed in the financial year (the percentage of completion method).

Cost of revenue

Cost of revenue comprises hosting, direct salaries, implementation and support, technical support and depreciation, amortisations etc. as well as allocated overhead costs for the cost of revenue departments.

Sales & marketing

Sales & marketing comprise costs associated with sales, marketing, product marketing, direct salaries, depreciations, amortisations etc. as well as allocated overhead costs for sales & marketing.

Research & development

Research & development comprise direct salaries (other than what is capitalised as development projects), external sub-contractors, depreciations, amortizations etc. as well as allocated overhead costs for research & development.

Notes

Note 1: Accounting policies (cont.)

General & admin

General & admin comprise direct salaries, office costs, depreciations, amortisations etc. as well as allocated overhead costs for general & admin.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses comprise of interests and gains from exchange rate adjustments. Interests 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. Deferred tax liabilities are recognised in the balance sheet under non-current liabilities.

Fixed assets

Development projects, patents and licenses

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the company's development activities.

Development projects are recognised as intangible assets. They are clearly defined and identifiable 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 deliver, market or use the project. This applies if sufficient certainty exists that the value in use of future earnings can cover the 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. Capitalized 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 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 5 years.

Patents and licenses are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use. Patents and software licenses are amortised over 7 years.

Contract assets

Contract assets comprise incremental sales bonuses directly associated with obtaining a contract with a new customer and deemed realisable through the future revenue streams under the contract. Deferred bonuses are initially recognised at cost at the contract acquisition date and subsequently carried at cost less accumulated amortisation and any accumulated impairment losses. Contract asset is amortised on a straight-line basis, based on the estimated lifetime (historical churn rate) of the contract, but no more than 4 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 expected useful lifetime of the assets, which are for Other fixtures and fittings, tools and equipment is 5 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, if so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of net asset value of the enterprises.

The net value is calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with the addition of the remaining value of any

Notes

Note 1: Accounting policies (cont.)

increases in value and goodwill calculated at the time of acquisition of the enterprises. The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" inside of equity. The reserve is reduced by dividend distributed to the parent company and adjusted for other equity movements in the subsidiaries. Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the parent company to cover the negative balance of the enterprise is recognised in provisions.

Fixed asset investments

Fixed asset investments consist of deposits.

Current assets and liabilities

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 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

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.

Cash Flow Statement

The cash flow statement is prepared using the indirect method. It shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the operating profit (EBIT) for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses and provisions adjusted for interests received and paid. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand". The cash flow statement cannot be immediately derived from the published financial records.

Financial definitions

Financial key figures and ratios have been prepared in accordance with the guidance issued by the Danish Finance Supervisory Society.

- Earnings per share (EPS)
- Earnings per share diluted (DEPS)
- EBITDA
- EBIT
- Gross profit margin in %
- Number of employees year end (FTE)

Notes

Note 2: Uncertainties and estimates

In general, management makes judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Management continuously reassesses these estimates and judgments based on several factors under the given circumstances.

The value of all capitalised research & development costs is amortised over their useful lives. Every year, the management evaluates an impairment assessment to make sure the total value of the capitalised projects is fair. The estimated value of intangible assets is based on management estimates and assumptions and by nature subject to uncertainty.

Note 3: Cash forecast

Monsenso manages its capital to ensure that it will be able to continue as a going concern. After the capital injection during 2021, Management expects to have sufficient liquidity resources to manage the Group's activity during 2022. By the end of 2021, Cash and cash equivalents for the Group amounted to DKK 7.8m. We expect positive cash flow from new and existing orders in 2022, but if orders are coming in late or at a lower level than expected, it is possible to manage the expenses to stay cash positive throughout the year.

('000 DKK)	Group 2021	Group 2020	Parent 2021	Parent 2020
Note 4				
Employee costs				
Wages and salaries	13,007	7,677	11,715	7,598
Pensions	461	276	461	271
Social security and other costs	331	166	331	166
	13,799	8,119	12,507	8,035
Employee costs included in dev. projects	(5,400)	(3,210)	(5,400)	(3,210)
Costs expensed in the income statement	8,399	4,909	7,107	4,825

('000 DKK)	Group 2021	Group 2020	Parent 2021	Parent 2020
Note 4 Employee costs (ctnd)				
Included in the income statement are:				
Cost of revenue	1,529	2,062	1,528	2,027
Sales & marketing costs	4,241	1,424	2,956	1,399
Research & development costs	1,100	393	1,094	386
General & administrative costs	1,529	1,030	1,529	1,013
Total	8,399	4,909	7,107	4,825
The average number of employees (FTE)	20	14	19	14
Number of employees year-end (FTE)	18	19	16	18
Note 5				
Depreciation, amortisation & impairment				
Amortisation of intangible assets	3,907	3,565	3,907	3,565
Depreciation of tangible assets	12	11	12	11
Total	3,919	3,576	3,919	3,576
Included in the income statement are as follows:				
Sales & marketing costs	870	1,081	870	1,081
Research & development costs	3,037	2,484	3,037	2,484
General & administrative costs	12	11	12	11
Total	3,919	3,576	3,919	3,576
Note 6				
Other operating expenses				
Costs regarding the initial public offering	-	1,656	-	1,656
Note 7				
Tax on profit/loss for the period				
Current income tax	(1,353)	(980)	(1,353)	(980)
Deferred income tax	170	(551)	146	(528)
Total	(1,183)	(1,531)	(1,207)	(1,508)

Deferred tax assets of DKK 1.2m end of 2021 is not recognised at current assets.

Notes

('000 DKK)	Contract assets	Development Projects	Patents, licenses and other rights	Total
Intangible assets				
Note 8				
The year 2020				
Cost, beginning of year	1,078	13,112	761	14,951
Additions	2,402	4,455	0	6,857
Cost, end of year	3,480	17,567	761	21,808
Amortisation, beginning of year	785	6,108	700	7,593
Amortisation	1,081	2,443	41	3,565
Amortisation, end of year	1,866	8,551	741	11,158
Carrying amount, end of year	1,614	9,016	20	10,650

T DKK 4.455 of the Carrying amount in development projects is still in progress.

The year 2021				
Cost, beginning of year	3,480	17,567	761	21,808
Additions	0	8,500	0	8,500
Cost, end of year	3,480	26,067	761	30,308
Amortisation, beginning of year	1,866	8,551	741	11,158
Amortisation	870	3,017	20	3,907
Amortisation, end of year	2,736	11,568	761	15,065
Carrying amount, end of year	744	14,499	0	15,243

T DKK 8,500 of the Carrying amount in development projects is still in progress.

The development projects are progressing according to plan through the use of the resources allocated by Management to development. The software is expected to be sold in the present and new markets to the Company's existing and new customers.

('000 DKK)	Other equipment	Deposits	Total
Tangible assets and deposits			
Note 9			
The year 2020			
Cost, beginning of year	56	97	153
Additions	-	47	47
Cost, end of year	56	144	200
Depreciation, beginning of year	26		26
Depreciation	11		11
Depreciation, end of year	37	0	37
Carrying amount, end of year	19	144	163
The year 2021			
Cost, beginning of year	56	144	200
Cost, end of year	56	144	200
Depreciation, beginning of year	37		37
Depreciation	12		12
Depreciation, end of year	49	0	49
Carrying amount, end of year	7	144	151

Note 10

Rental commitments, non-termination period, accounts for DKK 51k at the end of 2021. At the end of 2020, the value was DKK 724k.

“

*This is the future of
psychiatry!*

*...I'm very interested in
digital phenotyping, and I
think we will be integrating it
into clinical practice very
soon”*

*Dr Romaine Gadelrab
Kings College, London*



Management's statement

The Management and Board of Directors have today considered and approved the Annual Report of Monsenso A/S for year 2021. The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the accounting policies applied, and the consolidated financial statements and the parent company give a true and fair view of the Group's and Parent Company's financial position at December 31, 2021, and the results of the Group's and Parent Company's operations and cash flows for the Group for the financial year 2021.

We believe that the management commentary includes a true and fair review of the affairs and conditions of the Group and the Parent Company referred to therein. We recommend the Annual Report to be adopted at the Annual General Meeting.

Copenhagen, March 9th, 2022

Management

Thomas Lethenborg
CEO

Board of Directors

Maria Hjorth,
Chairman

Jakob Eyvind Bardram
Vice-chairman

Jeppe Øvli Øvlesen

Peter Høngaard Andersen

Jacob Hahn Michelsen



A photograph of a large, white, two-story building with a dark roof and multiple dormers, surrounded by green trees and a manicured lawn. The building is identified as an addiction center.

Blå Kors Rold Skov

ADDICTION CENTER

“

Via the Monsenso solution, the staff has been able to identify critical situations for some residents and thus been able to react quickly as they have been made aware of something special. As an example, we had a former resident, who used the app continuously, and all of a sudden he stopped. In this case, the staff knew that it was important to intervene, as it could be an indication that the person was close to relapse.”

*Mette Rudolf Pedersen,
Blå Kors
Denmark*

Independent auditor's report

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2021, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Monsenso A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("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 Group 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.

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 Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company 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 Group's and the Parent 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 Group or the Parent 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 judgment and maintain professional scepticism throughout the audit.

Independent auditor's report

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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Hellerup, March 9th, 2022
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

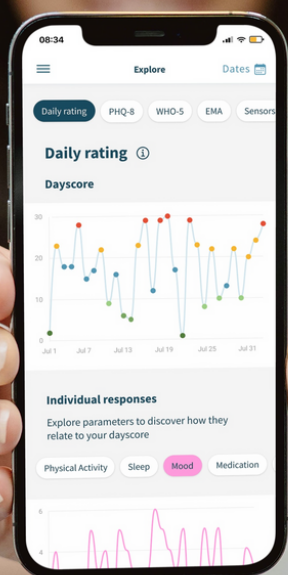
Niels Henrik B. Mikkelsen
State Authorised Public Accountant
Mne16675

Martin Birch
State Authorised Public Accountant
Mne42825

“

Monsenso is very helpful.
It provides me with an
overview of my triggers.”

*Individual with Depression,
United Kingdom*



Company information

Company

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Tel. +45 7875 5000

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www.monsensso.com

Board of Directors

Maria Hjorth, Chairman
Jakob Eyvind Bardram, Vice-chairman
Jeppe Øvli Øvlesen
Peter Høngaard Andersen
Jacob Hahn Michelsen

Management

Thomas Lethenborg, CEO

Certified Adviser

John Norden
Norden CEF A/S
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More information on
monsensso.com/investors