

RMG-Inspektion A/S

Vesterballevej 5, Snoghøj, 7000 Fredericia

Company reg. no. 10 04 43 16

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 13 February 2020.

Anita Jeanette Jochumsen
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of RMG-Inspektion A/S for the financial year 1 January to 31 December 2019.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Fredericia, 3 February 2020

Managing Director

Anita Jeanette Jochumsen

Board of directors

Topi Kalevi Saarenhovi

Veikko Tapio Råsänen

Peter Pilebæk Lock

Independent auditor's report

To the shareholder of RMG-Inspektion A/S

Opinion

We have audited the annual accounts of RMG-Inspektion A/S for the financial year 1 January to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January to 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". 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 audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

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

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Fredericia, 3 February 2020

BRANDT

Company reg. no. 25 49 21 45

Carsten Pedersen

State Authorised Public Accountant
mne27866

Company data

The company	RMG-Inspektion A/S Vesterballevej 5 Snoghøj 7000 Fredericia
	Company reg. no. 10 04 43 16 Domicile: Fredericia Financial year: 1 January - 31 December
Board of directors	Topi Kalevi Saarenhovi Veikko Tapio Råsänen Peter Pilebæk Lock
Managing Director	Anita Jeanette Jochumsen
Auditors	BRANDT, Statsautoriseret Revisionspartnerselskab Ryes Plads Prinsessegade 60 7000 Fredericia
Parent company	ACTA Denmark Holding II ApS

Management's review

The principal activities of the company

The principal activities are accredited inspection of fire protection systems and buildings.

Unusual matters

There has been no unusual matters, which have affected recognition and measurement.

Uncertainties as to recognition or measurement

There has been no significant uncertainties, which have affected recognition and measurement.

Development in activities and financial matters

The company's profit and financial performance were as expected.

Events subsequent to the financial year

After the balance sheet date, ACTA Denmark Holding II ApS became the 100% owner of RMG Inspektion A/S. ACTA Denmark Holding II ApS belongs to the Dutch Kiwa Group, whose ultimate parent company is ACTA Holding B.V., a company existing and registered in the Netherlands. At the same time a new Board was appointed, Topi Kalevi Saarenhovi, Veikko Tapio Råsänen og Peter Pilebæk Lock

From that date onwards RMG Inspektion A/S will be included in the joint taxation of other Kiwa Group companies located in the Denmark.

Except mentioned above, no event have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Gross profit	18.794.130	18.230.055
1 Staff costs	-14.982.736	-14.134.851
Depreciation and writedown relating to tangible fixed assets	-102.783	-172.322
Results before net financials	3.708.611	3.922.882
Other financial income from group enterprises	77.561	78.288
Other financial costs	-16.581	-850
Results before tax	3.769.591	4.000.320
Tax on ordinary results	-834.248	-889.783
Results for the year	2.935.343	3.110.537
 Proposed distribution of the results:		
Extraordinary dividend adopted during the financial year	0	4.800.000
Dividend for the financial year	0	350.000
Allocated to results brought forward	2.935.343	0
Allocated from results brought forward	0	-2.039.463
Distribution in total	2.935.343	3.110.537

Balance sheet 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2019</u>	<u>2018</u>
Fixed assets		
Other plants, operating assets, and fixtures and furniture	167.438	213.973
Tangible fixed assets in total	<u>167.438</u>	<u>213.973</u>
Fixed assets in total	<u>167.438</u>	<u>213.973</u>
Current assets		
Trade debtors	3.824.025	3.844.897
Amounts owed by group enterprises	0	632.568
Deferred tax assets	32.899	34.799
Other debtors	3.674.403	99.039
Accrued income and deferred expenses	77.334	0
Debtors in total	<u>7.608.661</u>	<u>4.611.303</u>
Available funds	<u>1.183.950</u>	<u>644.434</u>
Current assets in total	<u>8.792.611</u>	<u>5.255.737</u>
Assets in total	<u>8.960.049</u>	<u>5.469.710</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities		<u>2019</u>	<u>2018</u>
<u>Note</u>			
Equity			
2	Contributed capital	500.000	500.000
3	Results brought forward	3.960.581	1.025.238
4	Proposed dividend for the financial year	0	350.000
	Equity in total	<u>4.460.581</u>	<u>1.875.238</u>
Liabilities			
	Other debts	<u>508.000</u>	<u>0</u>
	Long-term liabilities in total	<u>508.000</u>	<u>0</u>
	Bank debts	0	24
	Trade creditors	200.375	313.684
	Corporate tax	832.348	0
	Other debts	<u>2.958.745</u>	<u>3.280.764</u>
	Short-term liabilities in total	<u>3.991.468</u>	<u>3.594.472</u>
	Liabilities in total	<u>4.499.468</u>	<u>3.594.472</u>
	Equity and liabilities in total	<u>8.960.049</u>	<u>5.469.710</u>
5	Mortgage and securities		
6	Contingencies		

Notes

All amounts in DKK.

	<u>2019</u>	<u>2018</u>
1. Staff costs		
Salaries and wages	13.433.072	12.902.157
Pension costs	1.335.964	1.033.282
Other costs for social security	<u>213.700</u>	<u>199.412</u>
	<u>14.982.736</u>	<u>14.134.851</u>
Average number of employees	<u>26</u>	<u>26</u>
2. Contributed capital		
Contributed capital opening balance	500.000	870.000
Cash capital reduction	<u>0</u>	<u>-370.000</u>
	<u>500.000</u>	<u>500.000</u>
3. Results brought forward		
Results brought forward opening balance	1.025.238	2.694.701
Adjustment due to changed procedures 1	0	370.000
Profit or loss for the year brought forward	2.935.343	-2.039.463
Extraordinary dividend adopted during the financial year	0	4.800.000
Distributed extraordinary dividend adopted during the financial year.	<u>0</u>	<u>-4.800.000</u>
	<u>3.960.581</u>	<u>1.025.238</u>
4. Proposed dividend for the financial year		
Dividend for the financial year	<u>0</u>	<u>350.000</u>
	<u>0</u>	<u>350.000</u>
5. Mortgage and securities		
None		

Notes

All amounts in DKK.

6. Contingencies

Contingent liabilities

A rental agreement has been entered into regarding the lease of office space with a monthly commitment of approximately DKK 15,000, with a notice period of 6 months and thus a total commitment of approximately DKK 90,000.

Leasing agreement with a monthly commitment of approximately DKK 5,000, with a remaining term of three months and thus a total commitment of approximately DKK 15,000.

Joint taxation

AJ Consult Holding ApS being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

Accounting policies used

The annual report for RMG-Inspektion A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

When the results of a contract can not be determined reliably, the net turnover is only recognised on a cost basis, however, to the extent that it is probable that the costs will be recovered.

Accounting policies used

Staff costs

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

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Other plants, operating assets, fixtures and furniture	3-5 years
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Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Accounting policies used

As regards assets of own production, the cost comprises direct and indirect costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting (the time of declaration).

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, RMG-Inspektion A/S is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, 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.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Accounting policies used

Liabilities

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