API Maintenance Systems A/S

c/o Horten Advokatpartnerselskab
Philip Heymans Allé 7
2900 Hellerup
Denmark

CVR no. 12 37 94 98

Annual report 2022

The annual report was presented and approved at the Company's annual general meeting on

28 June 2023

Hellen Maria Stein
Chairman of the annual general meeting

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of API Maintenance Systems A/S for the financial year 1 January – 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Hellerup, 28 June 2023
Executive Board:

Duane Thomas George

Board of Directors:

Nicola Marrison Chairman	Hellen Maria Stein	Duane Thomas George

Independent auditor's report

To the shareholder of API Maintenance Systems A/S

Opinion

We have audited the financial statements of API Maintenance Systems A/S for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

— identify and assess the risks of material misstatement of the company 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.

Independent auditor's report

— obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

— evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

— conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

— evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 28 June 2023
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Simon Vinberg Andersen
State Authorised
Public Accountant
mne35458

Stine Inger Pedersen
State Authorised
Public Accountant
mne47771

Management's review

Company details

API Maintenance Systems A/S
c/o Horten Advokatpartnerselskab
Philip Heymans Allé 7
2900 Hellerup
Denmark

Website:	www.optiware.com
CVR no.:	12 37 94 98
Established:	1 August 1988
Registered office:	Gentofte
Financial year:	1 January – 31 December

Board of Directors

Nicola Marrison, Chairman
Hellen Maria Stein
Duane Thomas George

Executive Board

Duane Thomas George

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Annual general meeting

The annual general meeting will be held on 28 June 2023 at the Company's address.

Management's review

Operating review

Principal activities

The principal activities is development and worldwide sales of the software systems API PRO and AXXOS OEE, including related services, to be used by medium-sized and large manufacturing and utility companies for maintenance management and production monitoring and optimisation.

The main part of the Company's revenue comes from international sales, mainly to Northwest Europe. In addition to sales through own companies and offices, the Company cooperates with a number of international partners and distributors.

Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK 20,049 thousand as against DKK 15,431 thousand in 2021. Equity in the Company's balance sheet at 31 December 2022 stood at DKK 57,648 thousand as against DKK 37,599 thousand at 31 December 2021.

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2022.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2022	2021
Gross profit		34,163	38,140
Staff costs	2	-5,502	-7,036
Depreciation, amortisation and impairment losses		-3,606	-11,602
Profit before financial income and expenses		25,055	19,502
Other financial income	3	2,578	1,546
Other financial expenses	4	-1,746	-1,415
Profit before tax		25,887	19,633
Tax on profit for the year	5	-5,838	-4,202
Profit for the year		20,049	15,431

Proposed profit appropriation

Reserve for development costs	-1,150	-7,543
Retained earnings	21,199	22,974
	20,049	15,431

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2022	31/12 2021
ASSETS			
Fixed assets			
Intangible assets	6		
Completed development projects		1,119	2,594
Acquired patents		255	482
Software		0	1,488
		1,374	4,564
Investments	7		
Equity investments in group entities		29,433	29,503
Total fixed assets		30,807	34,067
Current assets			
Receivables			
Trade receivables		19,532	15,746
Receivables from group entities		100,482	46,192
Deferred tax asset	8	146	0
Prepayments		100	328
		120,260	62,266
Cash at bank and in hand		767	12,063
Total current assets		121,027	74,329
TOTAL ASSETS		151,834	108,396

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2022	31/12 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital		1,500	1,500
Reserve for development costs		873	2,023
Retained earnings		55,275	34,076
Total equity		57,648	37,599
Provisions			
Provisions for deferred tax	8	0	489
Total provisions		0	489
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		879	636
Payables to group entities		57,804	36,878
Corporation tax		6,335	6,797
Other payables		1,500	2,343
Deferred income	9	27,668	23,654
		94,186	70,308
Total liabilities other than provisions		94,186	70,308
TOTAL EQUITY AND LIABILITIES		151,834	108,396
Contractual obligations, contingencies, etc.	10		
Related party disclosures	11		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2022	1,500	2,023	34,076	37,599
Transferred over the profit appropriation	0	-1,150	21,199	20,049
Equity at 31 December 2022	1,500	873	55,275	57,648

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of API Maintenance Systems A/S for 2022 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of API Maintenance Systems A/S and group entities are included in the consolidated financial statements of Gator Holdco (UK) Ltd, Lincoln House, Wellington Crescent, Fradley Park, Lichfield, United Kingdom, WS13 8RZ.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the Company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which evidence matters existing at the balance sheet date.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Upon recognition of foreign subsidiaries and associates that are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 **Accounting policies (continued)**

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Revenue from the sale of maintenance systems and consultancy services is recognised in the income statement when the sale is considered effected based on the following criteria:

Delivery has been made before year end

A binding sales agreement has been made

The sales prices have been determined; and payment has been received or may with reasonable certainty be expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue.

Cost of goods sold

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Income from equity investments in group entities

Dividends from equity investments in group entities measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared to the extent that the dividends exceed accumulated earnings after the acquistion date. Dividends are recognised as a reduction of the cost of the equity investment.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax expense attributable to the profit for the year is recognised in the income statement, whereas the tax expense attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly-owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to entities in proportion to their taxable incomes.

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well development costs. Other development costs are recognised in the income statement as incurred.

Development costs recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Upon completion of development work, development costs are amortised on a straight-line basis over the estimated useful lives. The amortisation period is usually 3-5 years.

Gains and losses on the disposal of intangible assets are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised as other operating income or other operating costs, respectively, in the income statement.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Trademarks

Trademarks are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining life of the patent, and licences are amortised over the contract period, however, not exceeding 5 years.

Investments

Equity investments in group entities are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value. The cost is reduced by dividends received exceeding accumulated earnings after the acquisition date.

Impairment of fixed assets

The carrying amount of intangible assets and equity investments in group entities is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

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1 Accounting policies (continued)

Equity

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at amortised cost.

Deferred income

Deferred income comprises services and SaaS contracts to customers which cannot be recognised until the subsequent financial year.

Financial statements 1 January – 31 December

Notes

DKK'000	2022	2021
2 Staff costs		
Wages and salaries	4,983	6,379
Pensions	503	595
Other social security costs	16	62
	5,502	7,036
Average number of full-time employees	6	8

DKK'000	2022	2021
3 Other financial income		
Interest income from group entities	2,491	1,546
Debt forgiveness	87	0
	2,578	1,546

DKK'000	2022	2021
4 Other financial expenses		
Interest expense to group entities	1,020	1,329
Impairment losses on financial assets	69	0
Other financial costs	9	0
Exchange rate adjustments costs	648	86
	1,746	1,415

DKK'000	2022	2021
5 Tax on profit for the year		
Current tax for the year	6,335	6,796
Deferred tax for the year	-635	-2,477
Adjustment of tax concerning previous years	138	84
Adjustment of deferred tax concerning previous years	0	-201
	5,838	4,202

Financial statements 1 January – 31 December

Notes

6 Intangible assets

DKK'000	Completed development projects	Acquired patents	Software	Total
Cost at 1 January 2022	67,652	1,099	2,080	70,831
Additions for the year	416	0	0	416
Cost at 31 December 2022	68,068	1,099	2,080	71,247
Amortisation and impairment losses at 1 January 2022	-65,058	-617	-592	-66,267
Amortisation for the year	-1,891	-227	-1,488	-3,606
Amortisation and impairment losses at 31 December 2022	-66,949	-844	-2,080	-69,873
Carrying amount at 31 December 2022	1,119	255	0	1,374

7 Investments

DKK'000	Equity investments in group entities
Cost at 1 January 2022	29,503
Cost at 31 December 2022	29,503
Revaluations for the year	-70
Revaluations 31 December 2022	-70
Carrying amount at 31 December 2022	29,433

Name/legal form	Registered office	Voting rights and ownership interest
Group entities:		
API PRO Maintenance Sverige AB	Sweden	100%
API Deutschland GmbH	Germany	100%
APIPro Maintenance Systems N.V.	Belgium	100%
APIPRO India Pvt Ltd	India	100%
API Maintenance Systems US, INC	Georgia, US	100%
Axxos AB	Sweden	100%

Financial statements 1 January – 31 December

Notes

DKK'000		31/12 2022	31/12 2022
8	**Deferred tax assets**		
	Deferred tax at 1 January	489	3,167
	Deferred tax adjustment for the year in the income statement	-635	-2,678
		-146	489

9 Deferred income

Deferred income, DKK 27,668 thousand (2021: DKK 23,654 thousand), comprises services and SaaS contracts to customers which cannot be recognised until the subsequent financial year.

10 Contractual obligations, contingencies, etc.

The Company is jointly taxed with the other Danish companies in the Group, and as from the financial year 2013, the Company is liable for tax claims on a pro rata basis. The maximum liability totals an amount corresponding to the share of the capital in the Company which is owned directly or indirectly by the ultimate parent.

11 Related party disclosures

API Maintenance Systems A/S is part of the consolidated financial statements of Gator Holdco (UK) Ltd, Lincoln House, Wellington Crescent, Fradley Park, Lichfield, United Kingdom, WS13 8RZ, which is the smallest and largest group in which the Company is included as a subsidiary.

The consolidated financial statements of Gator Holdco (UK) Ltd and the consolidated financial statements can be obtained by contacting the Company at the address above.