

IMEC ApS

Erhvervsparken 7, 4621 Gadstrup

Company reg. no. 20 03 18 83

Annual report

2019/20

The annual report was submitted and approved by the general meeting on the 19 November 2020.

Martin Vestergaard

Chairman of the meeting

Notes:

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

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Management's report

Today, the managing director has presented the annual report of IMEC ApS for the financial year 2019/20.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 30 April 2020 and of the company's results of activities in the financial year 1 May 2019 – 30 April 2020.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Gadstrup, 19 November 2020

Managing Director

Martin Vestergaard

Independent auditor's report

To the shareholder of IMEC ApS

Opinion

We have audited the financial statements of IMEC ApS for the financial year 1 May 2019 - 30 April 2020, which comprise income statement, statement of financial position, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 30 April 2020 and of the results of the company's activities for the financial year 1 May 2019 - 30 April 2020 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 section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

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

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 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 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 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.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. 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 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 and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 commentary

Management is responsible for the management commentary.

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

Independent auditor's report

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

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

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

Copenhagen, 19 November 2020

Redmark

State Authorised Public Accountants
Company reg. no. 29 44 27 89

Mark Leerdrup Hansen

State Authorised Public Accountant
mne19802

Company information

The company	IMEC ApS Erhvervsparken 7 4621 Gadstrup Company reg. no. 20 03 18 83 Financial year: 1 May - 30 April
Managing Director	Martin Vestergaard
Auditors	Redmark Statsautoriseret Revisionspartnerselskab Dirch Passers Allé 76 2000 Frederiksberg
Bankers	Spar Nord Bank
Parent company	Imec Holding ApS
Subsidiary	Imec GMBH, Germany

Management commentary

The principal activities of the company

The company's activity is sale, design, installation and operation phrase of facilities/instruments for detecting radioactivity/x-rays and instruments (x-ray fluorescence)/LIBS (Laser Induced Breakdown Spectroscopy) for analysis of metals and servicing of systems/instruments.

Development in activities and financial matters

The gross profit for the year totals DKK 482.000 against DKK 3.345.000 last year. The results from ordinary activities after tax totals DKK -1.719.000 against DKK 154.000 last year. The management considers the results unsatisfactory.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Income statement 1 May - 30 April

All amounts in DKK.

<u>Note</u>	<u>2019/20</u>	<u>2018/19</u>
Gross profit	482.098	3.345.338
1 Staff costs	-1.512.649	-1.844.389
Operating profit	-1.030.551	1.500.949
Income from equity investment in group enterprise	-701.387	-247.116
Other financial income from group enterprises	47.887	25.584
Other financial income	696.704	308.025
Impairment of financial assets	0	-611.132
2 Other financial costs	-819.361	-531.926
Pre-tax net profit or loss	-1.806.708	444.384
3 Tax on net profit or loss for the year	87.827	-290.608
Profit or loss from ordinary activities after tax	-1.718.881	153.776
Net profit or loss for the year	-1.718.881	153.776
Proposed appropriation of net profit:		
Transferred to retained earnings	0	153.776
Allocated from retained earnings	-1.718.881	0
Total allocations and transfers	-1.718.881	153.776

Statement of financial position at 30 April

All amounts in DKK.

Assets		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Non-current assets		
4 Equity investment in group enterprise	0	0
Total investments	0	0
Total non-current assets	0	0
Current assets		
Raw materials and consumables	797.818	690.546
Total inventories	797.818	690.546
Trade receivables	48.525	1.969.642
Receivables from group enterprises	14.932	1.588.508
Deferred tax assets	54.611	9.354
Receivable corporate tax	42.570	0
Other debtors	82.122	0
Total receivables	242.760	3.567.504
Cash on hand and demand deposits	1.371.146	2.575.181
Total current assets	2.411.724	6.833.231
Total assets	2.411.724	6.833.231

Statement of financial position at 30 April

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2020</u>	<u>2019</u>
	Equity		
5	Contributed capital	125.000	125.000
6	Retained earnings	344.151	2.310.146
	Total equity	<u>469.151</u>	<u>2.435.146</u>
	Liabilities other than provisions		
	Bank loans	6.058	19.196
	Trade payables	11.902	1.006.331
	Income tax payable	0	295.108
	Other payables	1.924.613	3.077.450
	Total short term liabilities other than provisions	<u>1.942.573</u>	<u>4.398.085</u>
	Total liabilities other than provisions	<u>1.942.573</u>	<u>4.398.085</u>
	Total equity and liabilities	<u>2.411.724</u>	<u>6.833.231</u>
7	Charges and security		
8	Contingencies		

Notes

All amounts in DKK.

	<u>2019/20</u>	<u>2018/19</u>
1. Staff costs		
Salaries and wages	<u>1.512.649</u>	<u>1.844.389</u>
	<u>1.512.649</u>	<u>1.844.389</u>
Average number of employees	<u>2</u>	<u>2</u>
2. Other financial costs		
Financial costs, group enterprises	17.196	36.153
Other financial costs	<u>802.165</u>	<u>495.773</u>
	<u>819.361</u>	<u>531.926</u>
3. Tax on net profit or loss for the year		
Tax of the results for the year, parent company	-42.570	295.108
Adjustment for the year of deferred tax	-45.257	-4.533
Adjustment of tax for previous years	<u>0</u>	<u>33</u>
	<u>-87.827</u>	<u>290.608</u>

Notes

All amounts in DKK.

4. Equity investment in group enterprise

Acquisition sum, opening balance 1 May 2019	1.493.360	1.493.360
Cost 30 April 2020	1.493.360	1.493.360
Revaluations, opening balance 1 May 2019	-2.351.608	-1.493.360
Adjustment of previous revaluations	-245.006	0
Translation by use of the exchange rate valid on balance day	-2.109	0
Results for the year before goodwill amortisation	-701.387	-247.116
Other movements in capital	0	-611.132
Revaluation 30 April 2020	-3.300.110	-2.351.608
Offsetting against debtors	1.806.750	858.248
Set off against debtors and provisions for liabilities	1.806.750	858.248
Carrying amount, 30 April 2020	0	0

Financial highlights for the enterprise according to the latest approved annual report

	Equity interest	Equity	Results for the year	Carrying amount, IMEC ApS
Imec GMBH, Germany	100 %	-1.806.750	-701.387	0
		-1.806.750	-701.387	0

5. Contributed capital

Contributed capital 1 May 2019	125.000	125.000
	125.000	125.000

6. Retained earnings

Retained earnings 1 May 2019	2.310.146	2.156.370
Adjustment due to changed procedure	-249.224	0
Profit or loss for the year brought forward	-1.718.881	153.776
Exchange rate valid on balance day	2.110	0
	344.151	2.310.146

7. Charges and security

The company has no mortgage and securities.

Notes

All amounts in DKK.

7. Charges and security (continued)

8. Contingencies

Contingent liabilities

The Company has provided guarantees for the bank debts of Imec GmbH.

Joint taxation

With Imec Holding ApS, company reg. no 39413116 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

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

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

Accounting policies

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

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

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

Assets are recognised in the balance sheet when the asset can be measured reliably.

Liabilities are recognised in the balance sheet when 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.

Income statement

Gross profit

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

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

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

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

Staff costs

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

Accounting policies

Financial income and expenses

Financial income and expenses 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 income statement with the amounts concerning the financial year.

Interest and other costs concerning loans to finance the production of intangible assets and property, plant, and equipment, and relating to production periods are not recognised in the cost of non-current assets.

Results from equity investment in group enterprise

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the group enterprise is recognised in the income statement as a proportional share of the group enterprises' post-tax profit or loss.

Tax on net profit or loss for the year

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

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Financial fixed assets

Equity investment in group enterprise

Equity in group enterprise recognised in the statement of financial position as a proportional share of the enterprise's equity value. This is calculated on the basis of the accounting policies of the parent less/plus unrealised intercompany profits and losses, and less/plus residual value of positive or negative goodwill measured by applying the purchase method.

Group enterprise with negative equity are recognised at no value and, to the extent they are considered irrevocable, amounts owed by these companies are made subject to impairment by the parent's share of the equity. If the negative equity exceeds the receivables, the residual amount is recognised under liability provisions to the extent that the parent has a legal or actual liability to cover the negative equity of these subsidiaries.

Accounting policies

To the extent the equity exceeds the cost, the net revaluation of equity investment in group enterprise is transferred to the reserve under equity for net revaluation according to the equity method. Dividend from group enterprise expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprise.

Inventories

Inventories are measured at cost on the basis of measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with addition of the delivery costs.

Debtors

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

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 on hand.

Equity

Dividend

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

Corporate tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with 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 receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, IMEC ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from 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.

Accounting policies

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

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