

ATLEVEL ApS
Langelinie 60
5230 Odense M
Business Registration No
26026407

Annual report 2018

The Annual General Meeting adopted the annual report on 31.05.2019

Chairman of the General Meeting

Name: Jesper Skalsløj

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's extended review report	3
Management commentary	5
Income statement for 2018	6
Balance sheet at 31.12.2018	7
Statement of changes in equity for 2018	9
Notes	10
Accounting policies	12

Entity details

Entity

ATLEVEL ApS
Langelinie 60
5230 Odense M

Central Business Registration No (CVR): 26026407

Registered in: Odense

Financial year: 01.01.2018 - 31.12.2018

Executive Board

Jesper Skalshøj

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Tværkajen 5
Postboks 10
5100 Odense C

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of ATLEVEL ApS for the financial year 01.01.2018 - 31.12.2018.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Odense, 31.05.2019

Executive Board

Jesper Skalshøj

Independent auditor's extended review report

To the shareholders of ATLEVEL ApS

Conclusion

We have performed an extended review of the financial statements of ATLEVEL ApS for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements". We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities 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 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

Independent auditor's extended review report

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, 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 conclude that the management commentary is in accordance with 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 commentary.

Odense, 31.05.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR)
33963556

Anders Flou
State Authorised Public Accountant
Identification No (MNE) mne32777

Heino Hyllested Tholsgaard
State Authorised Public Accountant
Identification No (MNE) mne34511

Management commentary

Primary activities

The activities of the Company consist in owning shares in a foreign subsidiary.

Development in activities and finances

The Company considers this year's performance unsatisfactory.

Please refer to notes 5 and 6 regarding recognition of the subsidiary and the related intra-group account.

The Company has lost more than 50% of its share capital, and so, the Company falls within the provisions of the Danish Companies Act governing loss of capital. The Company expects the results to improve in the coming year, just as it is expected that the equity will be re-established through future income or an intercompany grant by the Parent.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Other external expenses		(16.215)	(17)
Operating profit/loss		(16.215)	(17)
Other financial income	2	12.041	20
Other financial expenses	3	(11.624)	(18)
Profit/loss before tax		(15.798)	(15)
Tax on profit/loss for the year	4	3.476	3
Profit/loss for the year		(12.322)	(12)
Proposed distribution of profit/loss			
Retained earnings		(12.322)	(12)
		(12.322)	(12)

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Investments in group enterprises		0	0
Fixed asset investments	5	<u>0</u>	<u>0</u>
Fixed assets		<u>0</u>	<u>0</u>
Receivables from group enterprises	6	414.518	402
Deferred tax		<u>25.516</u>	<u>23</u>
Receivables		<u>440.034</u>	<u>425</u>
Cash		<u>281</u>	<u>1</u>
Current assets		<u>440.315</u>	<u>426</u>
Assets		<u>440.315</u>	<u>426</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Contributed capital		125.000	125
Retained earnings		(99.102)	(87)
Equity		<u>25.898</u>	<u>38</u>
Bank loans		250	0
Payables to group enterprises		408.167	382
Other payables		6.000	6
Current liabilities other than provisions		<u>414.417</u>	<u>388</u>
Liabilities other than provisions		<u>414.417</u>	<u>388</u>
Equity and liabilities		<u>440.315</u>	<u>426</u>
Staff costs	1		
Contingent liabilities	7		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	125.000	(86.780)	38.220
Profit/loss for the year	0	(12.322)	(12.322)
Equity end of year	125.000	(99.102)	25.898

Notes

	<u>2018</u>	<u>2017</u>
1. Staff costs		
Average number of employees	<u>0</u>	<u>0</u>
	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK'000</u>
2. Other financial income		
Financial income arising from group enterprises	<u>12.041</u>	<u>20</u>
	<u>12.041</u>	<u>20</u>
	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK'000</u>
3. Other financial expenses		
Financial expenses from group enterprises	<u>11.624</u>	<u>18</u>
	<u>11.624</u>	<u>18</u>
	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK'000</u>
4. Tax on profit/loss for the year		
Change in deferred tax	<u>(3.476)</u>	<u>(3)</u>
	<u>(3.476)</u>	<u>(3)</u>
		Invest-
		ments in
		group
		enterprises
		DKK
5. Fixed asset investments		
Cost beginning of year		<u>36.600</u>
Cost end of year		<u>36.600</u>
Impairment losses beginning of year		<u>(36.600)</u>
Impairment losses end of year		<u>(36.600)</u>
Carrying amount end of year		<u>0</u>

AT-Nanjing Industrial LTD is a wholly owned subsidiary, and the investment is written down to zero value, as the equity is negative. ATLEVEL ApS is not liable for the debt of the subsidiary.

Notes

	<u>Registered in</u>	<u>Equity inte- rest %</u>
Investments in group enterprises comprise:		
AT-Nanjing Industrial LTD	China	100,0

6. Receivables from group enterprises

Receivables from group enterprises relate to an intra-group account with the Chinese subsidiary of DKK 415 thousand. The Parent has promised to settle the loan if the subsidiary is incapable of repaying.

The Company does not expect the receivables from group enterprises to be settled entirely in 2019.

7. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Samic Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial state-ments.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

Referring to section 110 (1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies etc. This item also includes writedowns of receivables recognised in current assets.

Accounting policies

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Accounting policies

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Cash

Cash comprises bank deposits.

Other financial liabilities

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

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Anders Flou

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Revisor

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Direktionsmedlem

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Jesper Skalshøj

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