



Chromaviso A/S

Finlandsgade 25
8200 Aarhus N
CVR No. 27525202

Annual report 2021

The Annual General Meeting adopted the
annual report on 16.06.2022

Anders Kristian Kryger Nielsen
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2021	8
Balance sheet at 31.12.2021	9
Statement of changes in equity for 2021	11
Notes	12
Accounting policies	16

Entity details

Entity

Chromaviso A/S

Finlandsgade 25

8200 Aarhus N

Business Registration No.: 27525202

Registered office: Aarhus

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Steen Hvidt

Claus Munch Puggaard

Anders Kristian Kryger Nielsen

Jacob Printz

Executive Board

Anders Kristian Kryger Nielsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Chromaviso A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

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

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

Aarhus, 16.06.2022

Executive Board

Anders Kristian Kryger Nielsen

Board of Directors

Steen Hvidt

Claus Munch Puggaard

Anders Kristian Kryger Nielsen

Jacob Printz

Independent auditor's report

To the shareholders of Chromaviso A/S

Opinion

We have audited the financial statements of Chromaviso A/S for the financial year 01.01.2021 - 31.12.2021, 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.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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 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, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements 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 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 judgement 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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 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 audit 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 audit 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 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 commentary.

Aarhus, 16.06.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jacob Nørmark

State Authorised Public Accountant
Identification No (MNE) mne30176

Management commentary

Primary activities

The Company's primary activity is to develop and deliver health-promoting light solutions to hospitals, the psychiatric sector and the nursing sector.

Further information about the company activities can be found at www.chromaviso.com or [LinkedIn/Chromaviso](https://www.linkedin.com/company/chromaviso).

Development in activities and finances

The financial result for the year with a profit after tax of -3,423 t. DKK is considered less satisfactory. The company has been strongly affected by many deferred projects as a result of Covid-19 and the general supply problems - also to a greater extent than expected. The customer base is predominantly hospitals and nursing homes which during the period have had to be adapted to the activity level and schedule of new projects in relation to handling the epidemic.

There is satisfaction with the technological and market development, where the company is making good progress with its health-promoting lighting concepts in Denmark, Sweden and the other Nordic countries.

In 2021, the company has entered into an agreement with a new investor, which can contribute to the continued positive development of Chromaviso.

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 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss		2,672,250	9,880,586
Staff costs	1	(5,141,554)	(7,891,046)
Depreciation, amortisation and impairment losses		(1,481,320)	(1,971,673)
Operating profit/loss		(3,950,624)	17,867
Income from investments in group enterprises		400,712	(656,838)
Other financial income	2	573,665	247,239
Other financial expenses	3	(1,823,728)	(1,526,245)
Profit/loss before tax		(4,799,975)	(1,917,977)
Tax on profit/loss for the year	4	1,376,501	756,033
Profit/loss for the year		(3,423,474)	(1,161,944)
Proposed distribution of profit and loss			
Retained earnings		(3,423,474)	(1,161,944)
Proposed distribution of profit and loss		(3,423,474)	(1,161,944)

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Completed development projects	6	10,991,893	6,279,945
Development projects in progress	6	10,607,990	12,928,268
Intangible assets	5	21,599,883	19,208,213
Other fixtures and fittings, tools and equipment		105,986	175,370
Leasehold improvements		382,080	515,832
Property, plant and equipment	7	488,066	691,202
Investments in group enterprises		850,946	551,037
Financial assets	8	850,946	551,037
Fixed assets		22,938,895	20,450,452
Manufactured goods and goods for resale		3,883,346	3,995,667
Inventories		3,883,346	3,995,667
Trade receivables		1,865,989	5,518,177
Contract work in progress	9	1,651,672	2,409,718
Receivables from group enterprises		3,944,559	1,279,649
Other receivables		597,103	887,134
Joint taxation contribution receivable		1,093,050	1,672,549
Prepayments		733,784	80,211
Receivables		9,886,157	11,847,438
Cash		503,333	8,622
Current assets		14,272,836	15,851,727
Assets		37,211,731	36,302,179

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		606,000	606,000
Translation reserve		87,310	95,806
Reserve for development expenditure		13,201,358	10,330,547
Retained earnings		(6,591,902)	(4,865,310)
Equity		7,302,766	6,167,043
Deferred tax		2,564,000	3,120,000
Provisions		2,564,000	3,120,000
Bank loans		3,000,000	5,000,000
Debt to other credit institutions		6,513,725	3,909,638
Other payables		2,034,324	699,801
Non-current liabilities other than provisions	10	11,548,049	9,609,439
Bank loans		5,000,000	4,291,026
Payables to other credit institutions		323,621	0
Prepayments received from customers		38,750	0
Contract work in progress	9	903,780	1,254,561
Trade payables		3,500,306	3,602,107
Payables to group enterprises		3,857,608	5,288,422
Other payables	11	1,927,632	2,547,514
Deferred income		245,219	422,067
Current liabilities other than provisions		15,796,916	17,405,697
Liabilities other than provisions		27,344,965	27,015,136
Equity and liabilities		37,211,731	36,302,179
Unrecognised rental and lease commitments	12		
Contingent liabilities	13		
Assets charged and collateral	14		

Statement of changes in equity for 2021

	Contributed capital DKK	Translation reserve DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	606,000	95,806	10,330,547	(4,865,310)	6,167,043
Exchange rate adjustments	0	(8,496)	0	0	(8,496)
Group contributions etc	0		0	4,660,000	4,660,000
Other entries on equity	0	0	0	(92,307)	(92,307)
Transfer to reserves	0	0	2,870,811	(2,870,811)	0
Profit/loss for the year	0	0	0	(3,423,474)	(3,423,474)
Equity end of year	606,000	87,310	13,201,358	(6,591,902)	7,302,766

Notes

1 Staff costs

	2021	2020
	DKK	DKK
Wages and salaries	3,721,930	6,599,237
Pension costs	1,136,575	932,532
Other social security costs	163,981	173,145
Other staff costs	119,068	186,132
	5,141,554	7,891,046
Average number of full-time employees	17	20

2 Other financial income

	2021	2020
	DKK	DKK
Financial income from group enterprises	330,706	234,956
Other interest income	242,959	12,283
	573,665	247,239

3 Other financial expenses

	2021	2020
	DKK	DKK
Financial expenses from group enterprises	275,000	487,500
Other financial expenses	1,548,728	1,038,745
	1,823,728	1,526,245

4 Tax on profit/loss for the year

	2021	2020
	DKK	DKK
Current tax	(820,501)	(1,672,549)
Change in deferred tax	(556,000)	908,846
Adjustment concerning previous years	0	7,670
	(1,376,501)	(756,033)

5 Intangible assets

	Completed development projects DKK	Development projects in progress DKK
Cost beginning of year	12,307,207	12,928,268
Transfers	5,892,955	(5,892,955)
Additions	156,873	3,572,677
Cost end of year	18,357,035	10,607,990
Amortisation and impairment losses beginning of year	(6,027,262)	0
Amortisation for the year	(1,337,880)	0
Amortisation and impairment losses end of year	(7,365,142)	0
Carrying amount end of year	10,991,893	10,607,990

6 Development projects

The Company's development projects in progress consist of development of projects to support the Company's primary activity and to further develop the Company's products. The development projects are transferred to completed development projects when completed and are all expected to generate profits in future. The development projects recognised proceed as expected.

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	1,008,820	700,749
Cost end of year	1,008,820	700,749
Depreciation and impairment losses beginning of year	(833,450)	(184,917)
Depreciation for the year	(69,384)	(133,752)
Depreciation and impairment losses end of year	(902,834)	(318,669)
Carrying amount end of year	105,986	382,080

8 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	2,163,180
Cost end of year	2,163,180
Revaluations beginning of year	(1,612,143)
Exchange rate adjustments	(8,496)
Share of profit/loss for the year	308,405
Revaluations end of year	(1,312,234)
Carrying amount end of year	850,946

9 Contract work in progress

	2021 DKK	2020 DKK
Contract work in progress	10,468,922	19,098,559
Progress billings regarding contract work in progress	(9,721,030)	(17,943,402)
Transferred to liabilities other than provisions	903,780	1,254,561
	1,651,672	2,409,718

10 Non-current liabilities other than provisions

	Due after more than 12 months 2021 DKK	Outstanding after 5 years 2021 DKK
Bank loans	3,000,000	3,000,000
Debt to other credit institutions	6,513,725	646,480
Other payables	2,034,324	1,000,000
	11,548,049	4,646,480

11 Other payables

	2021 DKK	2020 DKK
Wages and salaries, personal income taxes, social security costs, etc payable	860,369	1,488,156
Other costs payable	1,067,263	1,059,358
	1,927,632	2,547,514

12 Unrecognised rental and lease commitments

	2021 DKK	2020 DKK
Liabilities under rental or lease agreements until maturity in total	2,587,052	3,542,914

13 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Chromaviso 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 statements.

14 Assets charged and collateral

The Company has granted a floating charge of DKK 12,000k on trade receivables, inventories, goodwill, operating equipment and vehicles. The value of the floating charge is DKK 6.238 k at 31.12.2021.

On behalf of the Company, Nordea has issued performance bonds totalling DKK 756.523.

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 a few provisions for reporting class C.

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

Consolidated financial statements

Referring to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Non-comparability

There is a lack of comparability between the financial figures for the current financial year and for the financial year last year, because the accounting period for the current year covers 12 months against 14 months in the last financial 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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds

to the selling price of the work performed in the financial year (the percentage-of-completion method).

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

Other external expenses

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

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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 group enterprises. 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**Intellectual property rights etc**

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate

of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5-10 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

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.

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 will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

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 in equity.

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

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

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.

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.

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.