

Gassonic A/S

c/o Aumento Advokatfirma, Ny Østergade 3, 1101 København K

Annual report

2023

Company reg. no. 27 52 63 65

The annual report was submitted and approved by the general meeting on the 4 June 2024.

Claus Spangenberg
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS 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 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Gassonic A/S for the financial year 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

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

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 4 June 2024

Managing Director

Richard William Roda

Board of directors

James Michael Daugherty Jr.

Richard William Roda

Kimberly Karr

Independent auditor's report

To the Shareholders of Gassonic A/S

Opinion

We have audited the financial statements of Gassonic A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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 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 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 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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 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 Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 4 June 2024

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Carsten Nielsen

State Authorised Public Accountant
mne30212

Company information

The company

Gassonic A/S
c/o Aumento Advokatfirma
Ny Østergade 3
1101 København K

Company reg. no. 27 52 63 65
Established: 22 June 2006
Domicile: Copenhagen
Financial year: 1 January - 31 December
18th financial year

Board of directors

James Michael Daugherty Jr.
Richard William Roda
Kimberly Karr

Managing Director

Richard William Roda

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Øster Allé 42
2100 København Ø

Management´s review

The principal activities of the company

Revenue from commission and royalty related to sold activity regarding gas leak detectors.

Development in activities and financial matters

The gross loss for the year totals DKK -22.639 against DKK -37.543 last year. Income or loss from ordinary activities after tax totals DKK 677.536 against DKK 271.984 last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

After the balance sheet date management has decided that the Company shall be liquidated in 2025.

Accounting policies

The annual report for Gassonic A/S 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.

Income statement

Gross loss

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

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

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

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, debt and transactions in foreign currency, amortisation of financial assets and liabilities.

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.

Accounting policies

Statement of financial position

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, impairment takes place at the net realisable value.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	-22.639	-37.543
Other financial income	909.163	455.772
1 Other financial expenses	<u>-13.868</u>	<u>-69.532</u>
Pre-tax net profit or loss	872.656	348.697
2 Tax on net profit or loss for the year	<u>-195.120</u>	<u>-76.713</u>
Net profit or loss for the year	<u>677.536</u>	<u>271.984</u>
Proposed distribution of net profit:		
Extraordinary dividend distributed during the financial year	28.000.000	0
Transferred to retained earnings	0	271.984
Allocated from retained earnings	<u>-27.322.464</u>	<u>0</u>
Total allocations and transfers	<u>677.536</u>	<u>271.984</u>

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Current assets		
Receivables from subsidiaries	454.509	22.498.803
Receivable corporate tax	25.993	0
Other receivables	18.776	246.425
Prepayments	5.153	34.656
Total receivables	<u>504.431</u>	<u>22.779.884</u>
Cash and cash equivalents	<u>2.910.199</u>	<u>7.959.816</u>
Total current assets	<u>3.414.630</u>	<u>30.739.700</u>
Total assets	<u>3.414.630</u>	<u>30.739.700</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	2.655.000	2.655.000
Retained earnings	699.630	28.022.094
Total equity	3.354.630	30.677.094
Liabilities other than provisions		
Trade payables	60.000	36.000
Other payables	0	26.606
Total short term liabilities other than provisions	60.000	62.606
Total liabilities other than provisions	60.000	62.606
Total equity and liabilities	3.414.630	30.739.700

4 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	2.655.000	27.750.110	30.405.110
Profit or loss for the year brought forward	0	271.984	271.984
Equity 1 January 2023	2.655.000	28.022.094	30.677.094
Profit or loss for the year brought forward	0	677.536	677.536
Distributed extraordinary dividend adopted during the financial year.	0	-28.000.000	-28.000.000
	<u>2.655.000</u>	<u>699.630</u>	<u>3.354.630</u>

Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Other financial expenses		
Other financial costs	<u>13.868</u>	<u>69.532</u>
	<u>13.868</u>	<u>69.532</u>
2. Tax on net profit or loss for the year		
Tax of the results for the year, parent company	<u>195.120</u>	<u>76.713</u>
	<u>195.120</u>	<u>76.713</u>
3. Acquired concessions, patents, licenses, trademarks, and similar rights		
Cost 1 January	<u>880.358</u>	<u>880.358</u>
Cost 31 December	<u>880.358</u>	<u>880.358</u>
Amortisation and writedown 1 January	<u>-880.358</u>	<u>-880.358</u>
Amortisation and writedown 31 December	<u>-880.358</u>	<u>-880.358</u>
Carrying amount, 31 December	<u>0</u>	<u>0</u>
4. Contingencies		
Contingent liabilities		
The company has no contingent liabilities or collateral on 31 December 2023.		