Novenco Fire Fighting A/S

Lille Tornbjerg Vej 30, DK-5220 Odense SØ

Annual Report for 1 January - 31 December 2020

CVR No 29 42 19 51

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 30/6 2021

Kristian Ødegård
Chairman of the General Meeting

Contents

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Novenco Fire Fighting A/S for the financial year 1 January - 31 December 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and of the results of the Company operations for 2020.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Odense, 30 June 2021

Executive Board

Erik Christensen

Board of Directors

Suketu Kishor Devani Chairman	Mark Clegg	Claude Husain Sada

Erik Christensen

Independent Auditor's Report

To the Shareholder of Novenco Fire Fighting A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Novenco Fire Fighting A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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' 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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 Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

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.

Independent Auditor's Report

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.

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 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.

Odense, 30 June 2021
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Mette Plambech
statsautoriseret revisor
mne34162

Company Information

The Company	Novenco Fire Fighting A/S Lille Tornbjerg Vej 30 DK-5220 Odense SØ CVR No: 29 42 19 51 Financial period: 1 January - 31 December Municipality of reg. office: Odense
Board of Directors	Suketu Kishor Devani, Chairman Mark Clegg Claude Husain Sada Erik Christensen
Executive Board	Erik Christensen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Munkebjergvænget 1, 3. og 4. sal DK-5230 Odense M

Management's Review

Key activities

The main activities og the Company have been development og fire-fighting systems, product management and sales support og fire-fighting systems for the global Survitec network.

Development in the year

The income statement of the Company for 2020 shows a loss of DKK 163,140, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 10,924,984.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2020	2019
		DKK	DKK
Gross profit/loss		**1.287.071**	**3.422.629**
Distribution expenses		-196.400	-334.066
Administrative expenses		-1.257.970	-920.791
Operating profit/loss		**-167.299**	**2.167.772**
Financial income		0	14
Financial expenses	2	-24.217	-33.709
Profit/loss before tax		**-191.516**	**2.134.077**
Tax on profit/loss for the year	3	28.376	-474.733
Net profit/loss for the year		**-163.140**	**1.659.344**

Distribution of profit

Proposed distribution of profit

Retained earnings	-163.140	1.659.344
	-163.140	**1.659.344**

Balance Sheet 31 December

Assets

	Note	2020	2019
		DKK	DKK
Completed development projects		10.352.599	13.285.471
Intangible assets	4	**10.352.599**	**13.285.471**
Other fixtures and fittings, tools and equipment		13.419	28.071
Property, plant and equipment		**13.419**	**28.071**
Deposits		80.814	80.463
Fixed asset investments		**80.814**	**80.463**
Fixed assets		**10.446.832**	**13.394.005**
Inventories		**65.804**	**64.989**
Trade receivables		834.839	284.227
Contract work in progress		149.972	0
Receivables from group enterprises		1.683.624	1.261.085
Other receivables		1.374.776	1.046.943
Prepayments		23.021	34.987
Receivables		**4.066.232**	**2.627.242**
Cash at bank and in hand		**3.837.276**	**3.664.420**
Currents assets		**7.969.312**	**6.356.651**
Assets		**18.416.144**	**19.750.656**

Balance Sheet 31 December

Liabilities and equity

	Note	2020	2019
		DKK	DKK
Share capital		3.000.001	3.000.001
Reserve for development costs		8.075.027	10.362.000
Retained earnings		-150.044	-2.273.877
Equity		**10.924.984**	**11.088.124**
Provision for deferred tax		1.767.515	1.795.891
Provisions		**1.767.515**	**1.795.891**
Other payables		0	3.150.000
Long-term debt		**0**	**3.150.000**
Prepayments received from customers		117.276	43.628
Trade payables		1.407.403	720.528
Payables to group enterprises		0	2.274.014
Other payables		4.190.933	589.084
Deferred income		8.033	89.387
Short-term debt		**5.723.645**	**3.716.641**
Debt		**5.723.645**	**6.866.641**
Liabilities and equity		**18.416.144**	**19.750.656**
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Statement of Changes in Equity

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	3.000.001	10.362.000	-2.273.877	11.088.124
Development costs for the year	0	-2.286.973	2.286.973	0
Net profit/loss for the year	0	0	-163.140	-163.140
Equity at 31 December	**3.000.001**	**8.075.027**	**-150.044**	**10.924.984**

Notes to the Financial Statements

		2020	2019
		DKK	DKK
1	**Staff**		
	Wages and Salaries	2.571.023	1.987.841
	Pensions	577.228	599.198
	Other social security expenses	20.165	20.165
	Other staff expenses	83.298	83.298
		3.251.714	**2.690.502**
	Wages and Salaries, pensions, other social security expenses and other staff expenses are recognised in the following items:		
	Cost of sales	3.251.714	2.690.502
		3.251.714	**2.690.502**
	Average number of employees	**6**	**6**
2	**Financial expenses**		
	Interest paid to group enterprises	0	10.560
	Other financial expenses	24.217	23.149
		24.217	**33.709**
3	**Tax on profit/loss for the year**		
	Current tax for the year	0	0
	Deferred tax for the year	-28.376	474.733
		-28.376	**474.733**

Notes to the Financial Statements

4 Intangible assets

	Completed development projects
	DKK
Cost at 1 January	14.664.381
Cost at 31 December	14.664.381
Impairment losses and amortisation at 1 January	1.378.910
Amortisation for the year	2.932.872
Impairment losses and amortisation at 31 December	4.311.782
Carrying amount at 31 December	**10.352.599**

Patents and licenses are measured at cost less accrued amortisation. Palents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however for a maximum of 10 years.

5 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:		
Within 1 year	206.324	147.000
Between 1 and 5 years	0	128.000
	206.324	**275.000**
Huslejeforpligtelse	40.634	540.000

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Novenco Fire Fighting A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 are presented in DKK.

Recognition and measurement

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

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during d1e useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and. additions/deductions of the accrued amortisation of the difference between cost and nominal amount In this way capital losses and capital profits are spread over the useful life.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

6 Accounting Policies (continued)

Income Statement

Revenue

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Gross profit/loss

Gross profit comprises revenue, production costs, and other operating income.

Distribution costs

Distribution costs comprise costs which have been incurred for distribution of goods sold during the year and for sales campaigns carried out during the year. Additionally, costs for sales staff, costs for advertising and exhibitio,ns and depreciation are recognised in the profit and loss account.

Administration costs

Administration costs comprise costs which have been incurred during the year for management and administration, including costs for the administrative staff, the executive board, offices, stationery and office supplies, and depreciation.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the onaccount taxation scheme.

Tax on profit/loss for the year

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

Notes to the Financial Statements

6 Accounting Policies (continued)

Balance Sheet

Intangible assets

Costs on development projects include salaries, depreciation and other costs that can be directly and indirectly attributed to the company's development activities. Development projects that are clearly defined and identifiable, where the degree of technical utilization, sufficient resources and a potential future market or development opportunity in the group can be demonstrated, and where the intention to manufacture, market or use the project are recognized as intangible fixed assets, if sufficient assurance that the capital value of future earnings can cover production, sales and administration costs as well as the development costs themselves.

Development projects that do not meet the criteria for recognition in the balance sheet are recognized as costs in the income statement as the costs are incurred.

Capitalized development costs are measured at cost less accumulated amortization and impairment losses or recoverable amount, whichever is lower. An amount corresponding to the recognized development costs is reserved in the item "Reserve for development costs" under equity. The reserve includes only development costs that are recognized in financial years beginning on or after 1 January 2016. The reserve is continuously reduced with depreciation and write-downs on the development projects. Capitalized development costs are depreciated on a straight-line basis from the time of completion over the period in which the development work is expected to generate economic benefits. The depreciation period is 5 - 10 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

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

The fixed assets’ residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

6 Accounting Policies (continued)

Impairment of fixed assets

The book values of both intangible and tangible fixed assets as well as equity invesıments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indica tions of impainnent beyondthose expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairmenl tests are carried out for each indjvidual asset or group of assets respectively. Writedowntakes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow derfving from the useof the asset or the groupof assets.

Fixed asset investments

Fixed asset investments consist of deposits and leasee deposits, etc.

Inventories

Inventories are measured at cost on the basis of weighted 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.

lnventodes are measured at cost according to the FIFO method. ln cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impainnent to this lower value.

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

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. lndirect production costs comprise indirect materials and wages, mainten ance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisab le value is determined with due considera tion of negotiability, obsolescence, and tbe development of expected market prices.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Notes to the Financial Statements

6 Accounting Policies (continued)

Contract work in progress

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.