SafeEx Holding ApS

Gasværksvej 48, 9000 Aalborg

Company reg. no. 31 17 48 80

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 25 June 2021.

René Lundgren Larsen
Chairman of the meeting

Contents

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 report

Today, the board of directors and the managing director have presented the annual report of SafeEx Holding ApS for the financial year 1 January - 31 December 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company’s assets, equity and liabilities, and financial position at 31 December 2020 and of the company’s results of activities in the financial year 1 January – 31 December 2020.

We are 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.

Aalborg, 6 April 2021

Managing Director

René Lundgren Larsen

Board of directors

Jan Dirk Bokhoven

Claus Falk

René Lundgren Larsen

Mikkel Mathias Steinø

Claus Rask Boddum

Independent auditor's report

To the shareholders of SafeEx Holding ApS

Opinion

We have audited the financial statements of SafeEx Holding ApS for the financial year 1 January - 31 December 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 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 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.

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.

Aalborg, 6 April 2021

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

Jesper Havgaard Kongsted
State Authorised Public Accountant
mne34468

Company information

The company	SafeEx Holding ApS Gasværksvej 48 9000 Aalborg
	Company reg. no. 31 17 48 80 *Financial year:* *1 January - 31 December*
Board of directors	Jan Dirk Bokhoven Claus Falk René Lundgren Larsen Mikkel Mathias Steinø Claus Rask Boddum
Managing Director	René Lundgren Larsen
Auditors	Redmark Statsautoriseret Revisionspartnerselskab Hasseris Bymidte 6 9000 Aalborg
Bankers	Spar Nord Bank A/S
Subsidiary	SafeEx ApS, Aalborg

Management commentary

The principal activities of the company

The purpose of the company is to hold shares in other companies and related business.

Uncertainties about recognition or measurement

Due to uncertainties regarding the measurement of significant debtors in SafeEx ApS theres is an equivalent uncertaity regarding the measurement of equity investments in SafeEx Holding ApS.

SafeEx ApS has a significant debtor with long payment terms. The debtor has not been able to resell the purchased software licenses and has due to this postponed the expected and contractual payment for 2020. There is an ongoing dialogue with the debtor, who has stated that they will pay as they resell sufficient software licenses to fulfill their contractual obligations. t is the management's assessment that there is a significant uncertainty associated with the recognition and measurement of receivables from sales of t. kr. 2.597

Development in activities and financial matters

The gross loss for the year totals DKK -86.874 against DKK -21.344 last year. Income or loss from ordinary activities after tax totals DKK 3.297.994 against DKK 592.139 last year. Management considers the net profit for the year satisfactory.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2020	2019
	Gross loss	**-86.874**	**-21.344**
2	*Staff costs*	0	0
	Operating profit	**-86.874**	**-21.344**
	Income from equity investment in group enterprise	2.629.716	874.887
	Other financial income from group enterprises	13.494	10.324
3	*Other financial costs*	-252.528	-278.167
	Pre-tax net profit or loss	**2.303.808**	**585.700**
	Tax on net profit or loss for the year	994.186	6.439
	Net profit or loss for the year	**3.297.994**	**592.139**
	Proposed appropriation of net profit:		
	Transferred to retained earnings	3.297.994	592.139
	Total allocations and transfers	**3.297.994**	**592.139**

Statement of financial position at 31 December

All amounts in DKK.

Note	***Assets***	2020	2019
	Non-current assets		
4	*Equity investment in group enterprise*	5.383.512	2.753.796
	Total investments	5.383.512	2.753.796
	Total non-current assets	**5.383.512**	**2.753.796**
	Current assets		
	Receivables from group enterprises	0	1.128.533
	Deferred tax assets	994.186	0
	Prepayments and accrued income	0	51.121
	Total receivables	994.186	1.179.654
	Total current assets	**994.186**	**1.179.654**
	Total assets	**6.377.698**	**3.933.450**

Statement of financial position at 31 December

All amounts in DKK.

Note	***Equity and liabilities***	2020	2019
	Equity		
	Contributed capital	155.228	139.705
	Share premium	984.477	0
	Retained earnings	2.641.351	-656.642
	Total equity	**3.781.056**	**-516.937**
	Provisions		
	Provisions for deferred tax	63.595	0
	Total provisions	**63.595**	**0**
	Liabilities other than provisions		
	Bank loans	0	3.350.645
	Trade payables	13.750	13.750
	Payables to group enterprises	1.432.021	0
	Other payables	1.087.276	1.085.992
	Total short term liabilities other than provisions	2.533.047	4.450.387
	Total liabilities other than provisions	**2.533.047**	**4.450.387**
	Total equity and liabilities	**6.377.698**	**3.933.450**

1 ***Uncertainties concerning recognition and measurement***
5 ***Charges and security***
6 ***Contingencies***

Notes

All amounts in DKK.

1. ***Uncertainties concerning recognition and measurement***

Due to uncertainties regarding the measurement of significant debtors in SafeEx ApS theres is an equivalent uncertaity regarding the measurement of equity investments in SafeEx Holding ApS.

SafeEx ApS has a significant debtor with long payment terms. The debtor has not been able to resell the purchased software licenses and has due to this postponed the expected and contractual payment for 2020. There is an ongoing dialogue with the debtor, who has stated that they will pay as they resell sufficient software licenses to fulfill their contractual obligations. t is the management's assessment that there is a significant uncertainty associated with the recognition and measurement of receivables from sales of t. kr. 2.597.

		2020	2019
2.	***Staff costs***		
	Average number of employees	0	1
3.	***Other financial costs***		
	Financial costs, group enterprises	10.844	10.723
	Other financial costs	241.684	267.444
		252.528	**278.167**
4.	***Equity investment in group enterprise***		
	Cost 1 January 2020	5.080.000	5.080.000
	Cost 31 December 2020	**5.080.000**	**5.080.000**
	Revaluations, opening balance 1 January 2020	-2.326.204	-3.201.091
	Net profit or loss for the year before amortisation of goodwill	2.629.716	874.887
	Revaluation 31 December 2020	**303.512**	**-2.326.204**
	Carrying amount, 31 December 2020	**5.383.512**	**2.753.796**

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

	Equity interest	***Equity***	***Results for the year***	***Carrying amount, SafeEx Holding ApS***
SafeEx ApS, Aalborg	100 %	5.383.512	2.629.716	5.383.512

Notes

All amounts in DKK.

5. Charges and security

For Group bank loans, DKK 4,730, the company has provided security in company assets representing a nominal value of DKK 1,500. This security comprises the assets below, stating the carrying amounts:

	DKK in thousands
Investments i group enterprises	5.383

6. Contingencies

Contingent liabilities

The company has issued a guarantee of payment relating to the subsidiary's engagement with Spar Nord Bank of a total amount of thousand DKK 1,379 at 31. December 2019.

The company resigns in favor of Spar Nord Bank for any obligation that SafeEx ApS has or will have towards Spar Nord Bank.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

TheThe 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.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

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

The annual report for SafeEx Holding 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 annual report is presented in DKK. The annual report comprises the first financial year and hence comparative figures are not available.

Material error

IIn connection with our audit of the annual report for 2020, we found an error in the comparative figures. The error can be attributed to errors in recognized investments. This error causes a correction of the comparative figures of t. kr. 531. The correction of the comparative figures for 2019 has an effect on investments of t. kr. -531 and the result of the period of t.kr. 531. The correction of the comparative figures for 2019 has an effect on the balance sheet total of t. kr. 513.

Otherwise, the accounting policies applied remain unchanged from the last year.

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 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 statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross loss

Gross loss 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.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

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.

Other external costs comprise costs incurred for administration.

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.

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, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

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 company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

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

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investment in group enterprise are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Equity in group enterprise

Equity in group enterprise are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Equity in group enterprise recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterpriseswith a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in group enterprises, associates and equity interests but are not represented in the parent, the following accounting policies have been applied.

Equity in group enterprise with a negative equity value measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

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.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

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. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments and accrued income

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

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Income tax and deferred tax

As administration company, SafeEx Holding ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

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.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Income tax receivable” or “Income tax payable”.

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.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

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

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

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