BEIERHOLM
VI SKABER BALANCE

# SafeEx Holding ApS

Gasværksvej 48, 9000 Aalborg
CVR no. 31 17 48 80

# Annual report for 2021

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 28.06.22

René Lundgren Larsen
Dirigent

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# Company information etc.

## The company

SafeEx Holding ApS
Gasværksvej 48
9000 Aalborg
Registered office: Aalborg
CVR no.: 31 17 48 80
Financial year: 01.01 - 31.12

## Executive Board

René Lundgren Larsen

## Board of Directors

Jan Dirk Bokhoven
Claus Falk
René Lundgren Larsen
Mikkel Mathias Steinø
Claus Rask Boddum

## Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

## Subsidiarie

SafeEx ApS, Aalborg

# Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.21 - 31.12.21 for SafeEx Holding ApS.

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

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.21 and of the results of the company's activities for the financial year 01.01.21 - 31.12.21.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Aalborg, June 28, 2022

**Executive Board**

René Lundgren Larsen

**Board of Directors**

| | | |
|---|---|---|
| Jan Dirk Bokhoven | Claus Falk | René Lundgren Larsen |
| Mikkel Mathias Steinø | Claus Rask Boddum | |

**To the capital owner of SafeEx Holding ApS**

## Opinion

We have audited the financial statements of SafeEx Holding ApS for the financial year 01.01.21 - 31.12.21, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.21 and of the results of the company's operations for the financial year 01.01.21 - 31.12.21 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

## 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 “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 responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the 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 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 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 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 regarding the 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 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 Statements Acts. We did not identify any material misstatement of management's review.

Aalborg, June 28, 2022

**Beierholm**
Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Henrik Bjørn
State Authorized Public Accountant
MNE-no. mne28606

## Primary activities

The Purpose og the company is to hold shares in other companies and related buiness.

## Development in activities and financial affairs

The income statement for the period 01.01.21 - 31.12.21 shows a profit/loss of DKK -1,891,197 against DKK 2,594,229 for the period 01.01.20 - 31.12.20. The balance sheet shows equity of DKK 1,249,689.

The reduction in the income statement i directly attributable to the lower activity level in SafeEx ApS due to global pandemic. SafeEx partners around the world have faced severel challanges to onboard new projects due to travel restrictions to installations. SafeEx ApS has also depreciated a significant receivable balance from a previous distributor affected by the pandemic in Asia.

Management considers net profit for the year as expected and has positive expectations for its product and the future market potential for SafeEx ApS.

## Subsequent events

No important events have occurred after the end of the financial year.

# Income statement

| Note | | 2021<br>DKK | 2020<br>DKK |
|---|---|---|---|
| | **Gross result** | **4,500** | **-86,874** |
| 2 | Income from equity investments in group enterprises | -1,873,914 | 2,629,716 |
| 3 | Financial income | 0 | 13,494 |
| 4 | Financial expenses | -26,657 | -252,528 |
| | **Profit/loss before tax** | **-1,896,071** | **2,303,808** |
| | Tax on profit or loss for the year | 4,874 | 290,421 |
| | **Profit/loss for the year** | **-1,891,197** | **2,594,229** |

**Proposed appropriation account**

| | | |
|---|---|---|
| Retained earnings | -1,891,197 | 2,594,229 |
| **Total** | **-1,891,197** | **2,594,229** |

# Balance sheet

## ASSETS

| Note | | 31.12.21 DKK | 31.12.20 DKK |
|---|---|---|---|
| | Equity investments in group enterprises | 3,509,598 | 5,383,512 |
| | **Total investments** | **3,509,598** | **5,383,512** |
| | **Total non-current assets** | **3,509,598** | **5,383,512** |
| | Deferred tax asset | 295,295 | 290,421 |
| | **Total receivables** | **295,295** | **290,421** |
| | **Total current assets** | **295,295** | **290,421** |
| | **Total assets** | **3,804,893** | **5,673,933** |

## EQUITY AND LIABILITIES

| Note | | 31.12.21 DKK | 31.12.20 DKK |
|---|---|---|---|
| | Share capital | 155,228 | 155,228 |
| | Share premium | 0 | 984,477 |
| | Retained earnings | 1,094,461 | 2,001,181 |
| | **Total equity** | **1,249,689** | **3,140,886** |
| | Payables to other credit institutions | 3 | 0 |
| | Trade payables | 4,000 | 13,750 |
| | Payables to group enterprises | 1,459,123 | 1,432,021 |
| | Other payables | 1,092,078 | 1,087,276 |
| | **Total short-term payables** | **2,555,204** | **2,533,047** |
| | **Total payables** | **2,555,204** | **2,533,047** |
| | **Total equity and liabilities** | **3,804,893** | **5,673,933** |

5 Contingent liabilities
6 Charges and security

# Statement of changes in equity

| Figures in DKK | Share capital | Share premium | Retained earnings |
|---|---|---|---|
| Statement of changes in equity for 01.01.20 - 31.12.20 | | | |
| Balance as at 01.01.20 | 139,705 | 0 | -656,643 |
| Net effect of correction of material errors | 0 | 0 | 63,595 |
| Adjusted balance as at 01.01.20 | 139,705 | 0 | -593,048 |
| Capital increase | 15,523 | 984,477 | 0 |
| Net profit/loss for the year | 0 | 0 | 2,594,229 |
| Balance as at 31.12.20 | 155,228 | 984,477 | 2,001,181 |
| Statement of changes in equity for 01.01.21 - 31.12.21 | | | |
| Balance as at 01.01.21 | 155,228 | 984,477 | 2,001,181 |
| Other changes in equity | 0 | -984,477 | 984,477 |
| Net profit/loss for the year | 0 | 0 | -1,891,197 |
| Balance as at 31.12.21 | 155,228 | 0 | 1,094,461 |

## 1. Special items

Special items are income and expenses that are special due to their size and nature. The following special items were recorded in the financial year:

| Special items: | Recognised in the income statement in: | 2021 DKK | 2020 DKK |
|---|---|---|---|
| Write-downs on debt | Income from equite investments in group ernterprises | 2,602,754 | 0 |

## 2. Income from equity investments in group enterprises

| | | |
|---|---|---|
| Share of profit or loss of group enterprises | -1,873,914 | 2,629,716 |
| Total | -1,873,914 | 2,629,716 |

## 3. Financial income

| | | |
|---|---|---|
| Interest, group enterprises | 0 | 13,494 |
| Total | 0 | 13,494 |

## 4. Financial expenses

| | | |
|---|---|---|
| Interest, group enterprises | 14,384 | 0 |
| Interest, associates | 10,922 | 10,844 |
| Other interest expenses | 1,351 | 241,684 |
| Total | 26,657 | 252,528 |

## 5. Contingent liabilities

*Recourse guarantee commitments*

The company has provided a guarantee for group enterprises' debt to credit institutions. The guarantee is unlimited. The group enterprises' debt to the credit institutions concerned amounts to thousand DKK 1,336 at the balance sheet date.

The company resigns in favor of credit institutions for any obligation that SafeEx has or will have towards credit institutions.

*Other contingent liabilities*

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The total tax liability for the jointly taxed companies at the balance sheet date has not yet been determined. For further information, please see the financial statements of the management company SafeEx Holding ApS.

## 6. Charges and security

For Group bank loans, thousand DKK 3,348, the company has provided security in investments in group enterprises. The carrying amount of the assets total thousand DKK 3,510.

## 7. Accounting policies

### GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B.

The accounting policies have been applied consistently with previous years.

In accordance with section 110 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

## 7. Accounting policies - continued -

### Material error

The company has identified a material error in the financial statements for 2020.

*Error of deferred tax asset recognition*

The provision for deferred tax asset was determined on an incorrect basis . As at 31.12.20, deferred tax asset are negatively empacted by the error by t.DKK 704. This correction has a negative impact on the net profit, thousand DKK 704. As at 31.12.20, equity is reduced by t.DKK 640, and the balance sheet total is reduced by t.DKK 704.

Comparative figures for 2020 have been restated in the income statement, balance sheet and notes. The accumulated effect of materiel errors has been recognised directly in equity at the beginning of the comparative year.

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

### INCOME STATEMENT

### Gross result

Gross result comprises other external expenses.

7. **Accounting policies** - continued -

### Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

### Income from equity investments in group entreprises

For equity investments in equity investments in subsidiaries, measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

Income from equity investments in equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

### Other net financials

Interest income and interest expenses etc. are recognised in other net financials.

### Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises. The parent is the administration company for the joint taxation and thus settles all income tax payments with the tax authorities.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

**7. Accounting policies** - continued -

## BALANCE SHEET

### Equity investments in group entreprises

Equity investments in subsidiaries are recognised and measured according to the equity method. For equity investments in subsidiaries, the equity method is considered a measurement method.

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments.

Under subsequent recognition and measurement of equity investments according to the equity method, equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of goodwill and gains and losses on transactions with the enterprises in question. Equity investments, where information for recognition according to the equity method is not known, are measured at cost.

For equity investments measured according to the equity method, the proportionate share of the equity investments' equity value is determined according to the accounting policies of the parent, stated in the other sections. Equity value is also based on the following accounting policies:

### Intangible assets

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses

Completed development projects are amortised using the straight-line method based on useful lives, which are stated in the ‘Amortisation and impairment losses’ section.

## 7. Accounting policies - continued -

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

### Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

### Equity

The net revaluation of equity investments measured according to the equity method is recognized in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

## 7. Accounting policies - continued -

### Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

### Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.