

STEMMER IMAGING A/S

Skelbækgade 2, 6.. 1717 København V

Company reg. no. 32 44 98 91

Annual report

1 July - 31 December 2019

The annual report was submitted and approved by the general meeting on the 30 March 2020.



Martin Kersting
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British 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 1.46.940 means the amount of DKK 1.46.940, and that 23.3 % means 23.3 %

Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management's review	
Company data	5
Management's review	6
Annual accounts 1 July - 31 December 2019	
Profit and loss account	7
Balance sheet	8
Notes	10
Accounting policies used	13

Management's report

The board of directors and the managing director have today presented the annual report of STEMMER IMAGING A/S for the financial year 1 July to 31 December 2019.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 July to 31 December 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Copenhagen, 30 March 2020

Managing Director


Max Peter Trollsås
CEO

Board of directors


Martin Kersting
Chairman


Anne Eike Dehn


Max Peter Trollsås

Independent auditor's report

To the shareholder of STEMMER IMAGING A/S

Opinion

We have audited the annual accounts of STEMMER IMAGING A/S for the financial year 1 July to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 July to 31 December 2019 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 below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 30 March 2020

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Iver Haugsted

State Authorised Public Accountant
mne10678

Company data

The company

STEMMER IMAGING A/S

Skelbækgade 2, 6.
1717 København V

Phone +45 77 33 41 66

Web site www.stemmer-imaging.com/en-dk/

E mail info@stemmer-imaging.dk

Company reg. no. 32 44 98 91

Domicile: Copenhagen

Financial year: 1 July 2019 - 31 December 2019
11th financial year

Board of directors

Martin Kersting, Chairman

Arne Eike Dehn

Max Peter Trollsås

Managing Director

Max Peter Trollsås, CEO

Auditors

Christensen Kjarulff Statsautoriseret Revisionsaktieselskab

Store Kongensgade 68

1264 København K

Management's review

The principal activities of the company

STEMMER IMAGING A/S is a technology provider of components and systems for Machine Vision and Imaging. The company provides the entire range of components and services required to produce an imaging solution. The products are manufactured by leading international suppliers. In addition, the company has wide range of accessories to make it possible for the customers to find all components from one supplier that understands and has the possibility to recommend and take responsibility for the whole imaging task. Increasingly important are the services the company offer in terms of training, pre-studies and consultation to help the customers shorten their development cycles.

During the general assembly the board of directors agreed to change the financial year to calendar year from January 1, 2020, to be in-line with the mother company. This means that the current reporting period is shortened to six months.

STEMMER IMAGING A/S is a fully owned daughter company to STEMMER IMAGING AG, located in Puchheim, near Munich, Germany.

Development in activities and financial matters

The gross profit for the year is DKK 1.631.746 against DKK 5.490.116 last year. The results from ordinary activities after tax are DKK -392.307 against DKK 990.154 last year. The management consider the results satisfactory.

STEMMER IMAGING is a leading European technology provider of components and services for Machine Vision and Imaging. To the company's customers this means accessibility to an extensive range of products with fast deliveries through the central European warehouse in Germany as well as access to local expertise and services to solve their imaging tasks. This in combination with investments in new technologies such as Hyper Spectral Imaging and earlier investments in 3D means that the company is well positioned for continued growth. Corresponding to this assessment, we expect a significant growth in sales and a sustainable improvement of the result for fiscal year 2020.

The Board estimates that the company's long term product and market strategy has positioned STEMMER IMAGING A/S well for growth by increased market share and an underlying growing market.

The company's cash and cash equivalents have increased by DKK 334.010, i.e. from DKK 1.594.594 to DKK 1.928.604.

Events subsequent to the financial year

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

Profit and loss account

All amounts in DKK.

Note	1/7 2019 - 31/12 2019	1/7 2018 - 30/6 2019
Gross profit	1.631.746	5.490.116
1 Staff costs	-1.809.171	-4.197.523
Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-282.911	-592.225
Operating profit	-460.336	700.368
Other financial income	10.463	43.482
Other financial costs	-52.769	-208.451
Results before tax	-502.642	535.399
Tax on ordinary results	110.335	454.755
Results for the year	-392.307	990.154
Proposed distribution of the results:		
Allocated to results brought forward	0	990.154
Allocated from results brought forward	-392.307	0
Distribution in total	-392.307	990.154

Balance sheet

All amounts in DKK.

Assets			
<u>Note</u>		<u>31/12 2019</u>	<u>30/6 2019</u>
Fixed assets			
2	Goodwill	441.256	663.934
	Intangible fixed assets in total	441.256	663.934
3	Other plants, operating assets, and fixtures and furniture	198.185	211.316
4	Decoration rented premises	82.336	111.798
	Tangible fixed assets in total	280.521	323.114
5	Deposits	315.124	315.124
	Financial fixed assets in total	315.124	315.124
	Fixed assets in total	1.036.901	1.302.172
Current assets			
	Manufactured goods and trade goods	123.774	72.061
	Inventories in total	123.774	72.061
	Trade debtors	2.762.089	4.622.680
	Deferred tax assets	569.180	506.939
	Accrued income and deferred expenses	74.655	67.619
	Debtors in total	3.405.924	5.197.238
	Available funds	1.928.603	1.594.595
	Current assets in total	5.458.301	6.863.894
	Assets in total	6.495.202	8.166.066

Balance sheet

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>31/12 2019</u>	<u>30/6 2019</u>
Equity			
6	Contributed capital	500.000	500.000
7	Results brought forward	2.094.302	2.486.609
	Equity in total	<u>2.594.302</u>	<u>2.986.609</u>
Liabilities			
	Trade creditors	254.828	219.112
	Debt to group enterprises	2.819.749	3.585.661
	Corporate tax	5.090	51.184
	Other debts	821.233	1.323.500
	Short-term liabilities in total	<u>3.900.900</u>	<u>5.179.457</u>
	Liabilities in total	<u>3.900.900</u>	<u>5.179.457</u>
	Equity and liabilities in total	<u>6.495.202</u>	<u>8.166.066</u>

8 Contingencies

Notes

All amounts in DKK.

	1/7 2019 - 31/12 2019	1/7 2018 - 30/6 2019
1. Staff costs		
Salaries and wages	1.546.647	3.696.171
Pension costs	244.001	466.185
Other costs for social security	18.523	35.167
	1.809.171	4.197.523
Average number of employees	4	5
	31/12 2019	30/6 2019
2. Goodwill		
Cost 1 July 2019	3.117.488	3.117.488
Cost 31 December 2019	3.117.488	3.117.488
Amortisation and writedown 1 July 2019	-2.453.554	-2.008.198
Amortisation for the year	-222.678	-445.356
Amortisation and writedown 31 December 2019	-2.676.232	-2.453.554
Book value 31 December 2019	441.256	663.934
3. Other plants, operating assets, and fixtures and furniture		
Cost 1 July 2019	527.637	527.637
Additions during the year	17.640	0
Cost 31 December 2019	545.277	527.637
Amortisation and writedown 1 July 2019	-316.321	-228.375
Depreciation for the year	-30.771	-87.946
Amortisation and writedown 31 December 2019	-347.092	-316.321
Book value 31 December 2019	198.185	211.316

Notes

All amounts in DKK.

	31/12 2019	30/6 2019
4. Decoration rented premises		
Cost 1 July 2019	294.620	294.620
Cost 31 December 2019	294.620	294.620
Depreciation and writedown 1 July 2019	-182.822	-123.898
Depreciation for the year	-29.462	-58.924
Depreciation and writedown 31 December 2019	-212.284	-182.822
Book value 31 December 2019	82.336	111.798
5. Deposits		
Cost 1 July 2019	315.124	307.438
Additions during the year	0	7.686
Cost 31 December 2019	315.124	315.124
Book value 31 December 2019	315.124	315.124
6. Contributed capital		
Contributed capital 1 July 2019	500.000	500.000
	500.000	500.000
The share capital consists of 500.000 shares, each with a nominal value of DKK 1. No share carry any special rights.		
7. Results brought forward		
Results brought forward 1 July 2019	2.486.609	1.496.455
Profit or loss for the year brought forward	-392.307	990.154
	2.094.302	2.486.609

Notes

All amounts in DKK.

8. Contingencies

Contingent liabilities

	DKK in thousands
Leasing liabilities	787
Contingent liabilities in total	787

Accounting policies used

The annual report for STEMMER IMAGING A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK). The accounting period was changed in the current financial year and comprises the period 1 July to 31 December 2019. The comparative figures appearing from the profit and loss account comprise the period 1 July 2018 to 30 June 2019.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concern matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

Accounting policies used

Income statement

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover comprises the value of services provided during the year, including outlay for customers less VAT and price reductions directly associated with the sale.

The turnover is recognised in the profit and loss account when the sale has been completed. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- There is a binding sales agreement
- The sales price has been determined
- The payment has been received, or it can with reasonable assurance be expected to be received.

Hereby, it is ensured that recognition does not take place until the total income and costs as well as the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the economic benefits, including payments, will be received by the enterprise.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concern the financial year.

Accounting policies used

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Intangible fixed assets

Goodwill

Acquired goodwill is measured at cost with deduction of accumulated amortisation. As it is not possible to determine a reliable estimate of the useful life, the amortisation period is set at 7 years.

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	Useful life
Other plants, operating assets, fixtures and furniture	3-7 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

As regards assets of own production, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Accounting policies used

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operating leases and rental agreements are recognised under contingencies etc.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises 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 takes 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 deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exists. Writedown relating to goodwill is not reversed.

Decoration of rented premises

Decoration of rented premises are measured at cost with deduction of accrued depreciation. Depreciation takes place on a straight-line basis over the estimated useful life of the asset, which is set at 5 years.

Financial fixed assets

Deposits

Deposits are measured at amortised cost and represent rent deposits, etc.

Inventories

Inventories are measured at cost on the basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

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

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accounting policies used

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, 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.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Liabilities are measured at amortised cost which usually corresponds to the nominal value.

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registreret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Iver Haugsted

Statsautoriseret revisor

På vegne af: CHRISTENSEN KJÆRULFF STATS AUTORISERET

REVISIONSAKTIESELSKAB

Serienummer: PID:9208-2002-2-869396164055

IP: 5.186.xxx.xxx

2020-04-06 14:10:12Z

NEM ID 

Penneo dokumentnøgle: AJ4F8-WDHYN-SPT8N-T7HEG-EQB60-8VIBQ

Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstemplet med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service** <penneo@penneo.com>. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: <https://penneo.com/validate>