



Danmeter ApS

Falen 18
5000 Odense C
CVR No. 32931235

Annual report 2020

The Annual General Meeting adopted the
annual report on 05.07.2021

Flemming Himmelstrup

Chairman of the General Meeting

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Entity details

Entity

Danmeter ApS

Falen 18

5000 Odense C

CVR No.: 32931235

Registered office: Odense

Financial year: 01.01.2020 - 31.12.2020

Executive Board

Flemming Himmelstrup

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Tværkajen 5

P. O. Box 10

5100 Odense

Statement by Management

The Executive Board have today considered and approved the annual report of Danmeter ApS for the financial year 01.01.2020 - 31.12.2020.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Odense, 05.07.2021

Executive Board

Flemming Himmelstrup

Independent auditor's extended review report

To the shareholders of Danmeter ApS

Report on extended review of the financial statements

Adverse conclusion

We have performed an extended review of the financial statements of Danmeter ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, due to the significance of the matter described in the "Basis for adverse conclusion" section of this extended review report, the financial statements do not give a true and fair view of the Entity's financial positions at 31.12.2020 or of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for adverse conclusion

The financial statements have been prepared on a going concern basis. The company has in 2020 and 2019 realized significant losses and as at 31.12.2020 the equity is negative. In order for the company to continue operations, it is necessary that sufficient liquidity is provided. In our opinion, it is uncertain whether the company can provide the necessary liquidity, and we therefore qualify our auditor's report regarding the use of going concern principles.

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section of this extended review report. We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic

alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

The information in the management's commentary is based on the fact that the financial statements can be prepared on the assumption of going concern. As stated in the "Basis for adverse conclusion" section, we do not find that the company can present the financial statement subject to going concern, and in our view, the management's commentary should have reflected this.

Violation of Danish company law on capital loss

The company has lost more than half of its capital. Management has not ensured, within the time limits of the Danish Companies Act, that a general meeting is held and explained the company's financial position to the owners of the shares and, if necessary, proposed measures to be taken. The company's management may be responsible for this.

Odense, 05.07.2021

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Lars Knage Nielsen

State Authorised Public Accountant

Identification No (MNE) mne10074

Management commentary

Primary activities

Trade and production and related activities.

Description of material changes in activities and finances

Financial performance for the year was a loss of DKK 411 k, which Management considers very unsatisfactory.

Management expects to have the necessary liquidity to 2021 based on the assumptions in note 1 to which we refer.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report. However the company is generally influenced by the economy of the community, where the company's activity level will naturally be influenced in 2021 by COVID-19. It is not possible at the stage to determine its scope.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		(405,291)	(243,649)
Other financial expenses		(5,655)	(6,901)
Profit/loss for the year		(410,946)	(250,550)
Proposed distribution of profit and loss			
Retained earnings		(410,946)	(250,550)
Proposed distribution of profit and loss		(410,946)	(250,550)

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Manufactured goods and goods for resale		249,043	238,414
Inventories		249,043	238,414
Trade receivables		0	2,398
Receivables from group enterprises		4,280	0
Other receivables		36,866	40,255
Prepayments		3,500	3,500
Receivables		44,646	46,153
Cash		12,221	44,169
Current assets		305,910	328,736
Assets		305,910	328,736

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		150,000	150,000
Retained earnings		(564,290)	(153,344)
Equity		(414,290)	(3,344)
Trade payables		704,400	316,280
Other payables		15,800	15,800
Current liabilities other than provisions		720,200	332,080
Liabilities other than provisions		720,200	332,080
Equity and liabilities		305,910	328,736

Going concern	1
Working conditions	2

Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	150,000	(153,344)	(3,344)
Profit/loss for the year	0	(410,946)	(410,946)
Equity end of year	150,000	(564,290)	(414,290)

Notes

1 Going concern

Financial performance for the year was a loss of DKK 411 k, which Management considers very unsatisfactory. For 2019 the loss was DKK 251 k and by end of 2020 the equity is negative with DKK (414) k.

A statement of resignation has been issued for the majority of the company's debt at 31.12.2020. There is no budget for 2021 or estimation of sales for 2021. The company is developing a new generation of Cerebral State Monitor. However, this new generation is not expected to be finalized and approved until 2022 and the management expect that the company will realize a loss in 2021. The Management expect that other group companies will provide the company with sufficient liquidity but the company has not received a letter of support from other group companies.

The sale for the first 5 months are better than for 2020. The cash flow is expected by management to be sufficient to cover the part of the company's debt where no declaration of resignation has been submitted as well as the planned operations in the company in 2021.

It is therefore the management's opinion that the Annual Report for 2020 can be presented according to the going concern principle. This condition is subject to the natural uncertainty inherent in the market including the uncertainty related to Covid-19.

2 Working conditions

Average number of employees

0

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables and transactions in foreign currencies etc.

Balance sheet**Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.