

Danbridge Electronics ApS

Herlev Hovedgade 195, 1, 2730 Herlev

Annual report for
2017

(6th Financial year)

Adopted at the annual general meeting on
20 May 2018

Luke Lien

CVR no. 34 07 32 44

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Danbridge Electronics ApS for the financial year 1 January - 31 December 2017.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends to the company in general meeting that the financial statements for 2018 should not be audited. Management considers the criteria for omission of audit to be met.

The financial statements have not been audited. Management declares that the criteria for omission of audit are met.

Management recommends that the annual report should be approved at the annual general meeting.

Herlev, 20 May 2018

Executive board

Luke Lien
direktør

The general meeting of shareholders have resolved that the financial statements for the coming financial year are not to be audited.

Auditor's report on compilation of the financial statements

To the shareholder of Danbridge Electronics ApS

We have compiled the financial statements for the financial year 1 January - 31 December 2017 of Danbridge Electronics ApS based on the company's bookkeeping and other information the enterprise have provided.

The financial statements comprises income statement, balance sheet, notes and summary of significant accounting policies

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Auditor Regulation and FSR – Danish Auditors' code of ethics, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are the enterprise's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information enterprise provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Frederiksberg, 20 May 2018
Revisionsfirmaet Morten Schneider
Statsautoriseret revisionsvirksomhed
CVR no. 33 17 69 96

Morten Schneider
Statsautoriseret revisor
MNE no. mne8772

Company details

The company

Danbridge Electronics ApS
Herlev Hovedgade 195, 1
2730 Herlev

CVR no.: 34 07 32 44

Reporting period: 1 January - 31 December 2017

Domicile: Herlev

Executive board

Luke Lien, direktør

Auditors

Revisionsfirmaet Morten Schneider
Statsautoriseret revisionsvirksomhed
Dalgas Boulevard 168
2000 Frederiksberg

Management's review

Business activities

The Company's objective is to directly or indirectly through other companies to perform business within development, production and sales of test and measurement equipment including other businesses that according to the judgement of the director is connected thereto.

Business review

The Company's income statement for the year ended 31 December shows a profit of DKK 543.223, and the balance sheet at 31 December 2017 shows negative equity of DKK 2.015.311.

Income statement
1 January 2017 - 31 December 2017

	<u>Note</u>	<u>2017</u> DKK	<u>2016</u> DKK
Gross profit		3.003.142	1.572.660
Staff costs	1	<u>-2.310.571</u>	<u>-1.999.067</u>
Earnings Before Interest Taxes Depreciation and Amortization		692.571	-426.407
Profit/loss from ordinary operating activities before gains/losses from fair value adjustments		692.571	-426.407
Profit/loss before financial income and expenses		692.571	-426.407
Financial income	2	21.412	4.412
Financial costs	3	<u>-17.487</u>	<u>-18.225</u>
Profit/loss before tax		696.496	-440.220
Tax on profit/loss for the year	4	<u>-153.273</u>	<u>96.848</u>
Net profit/loss for the year		<u>543.223</u>	<u>-343.372</u>
Retained earnings		<u>543.223</u>	<u>-343.372</u>
		<u>543.223</u>	<u>-343.372</u>

Balance sheet at 31 December 2017

	<u>Note</u>	<u>2017</u> DKK	<u>2016</u> DKK
Assets			
Other receivables		69.973	108.225
Fixed asset investments		<u>69.973</u>	<u>108.225</u>
Fixed assets total		<u>69.973</u>	<u>108.225</u>
Raw materials and consumables		4.467.679	4.433.813
Finished goods and goods for resale		134.098	70.117
Goods received not invoiced		17.069	211
Stocks		<u>4.618.846</u>	<u>4.504.141</u>
Trade receivables		1.205.387	81.871
Other receivables		102.834	82.341
Deferred tax asset		590.360	743.633
Prepayments		41.864	21.878
Receivables		<u>1.940.445</u>	<u>929.723</u>
Cash at bank and in hand		<u>154.674</u>	<u>13.970</u>
Current assets total		<u>6.713.965</u>	<u>5.447.834</u>
Assets total		<u><u>6.783.938</u></u>	<u><u>5.556.059</u></u>

Balance sheet at 31 December 2017

	<u>Note</u>	<u>2017</u> DKK	<u>2016</u> DKK
Liabilities and equity			
Share capital		89.220	89.220
Retained earnings		<u>-2.104.531</u>	<u>-2.647.754</u>
Equity	5	<u>-2.015.311</u>	<u>-2.558.534</u>
Trade payables		5.241.578	5.489.580
Payables to associates		2.462.692	1.497.559
Payables to shareholders and management		570.109	644.495
Other payables		<u>524.870</u>	<u>482.959</u>
Short-term debt		<u>8.799.249</u>	<u>8.114.593</u>
Debt total		<u>8.799.249</u>	<u>8.114.593</u>
Liabilities and equity total		<u>6.783.938</u>	<u>5.556.059</u>
Contingent assets, liabilities and other financial obligations	6		
Charges and securities	7		

Notes

	2017	2016
	DKK	DKK
1 Staff costs		
Wages and salaries	2.156.591	1.844.682
Pensions	115.808	106.883
Other social security costs	26.004	29.249
Other staff costs	12.168	18.253
	2.310.571	1.999.067
Average number of employees	4	4
2 Financial income		
Exchange gains	21.412	4.412
	21.412	4.412
3 Financial costs		
Other financial costs	7.838	5.790
Exchange loss	9.649	12.435
	17.487	18.225
4 Tax on profit/loss for the year		
Current tax for the year	153.273	-96.848
	153.273	-96.848

Notes

5 Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at the beginning	89.220	-2.647.754	-2.558.534
Net profit/loss for the year	<u>0</u>	<u>543.223</u>	<u>543.223</u>
Equity at the end	<u>89.220</u>	<u>-2.104.531</u>	<u>-2.015.311</u>

The share capital consists of 12.000 shares of a nominal value of DKK 7.435. No shares carry any special rights.

6 Contingent assets, liabilities and other financial obligations

The company has no contingent liabilities.

7 Charges and securities

None

Accounting policies

The annual report of Danbridge Electronics ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2017 is presented in DKK

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 amortisation, depreciation and impairment losses, 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 the asset 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 the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

Accounting policies

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Stocks

Stocks are measured using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production.

The net realisable value of stocks is calculated as the selling price less costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Accounting policies

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Provisions

Provisions comprise expected expenses relating to guarantee commitments, losses on work in progress, reconstructions, etc. Provisions are recognised when as a result of a past event the company's has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Liabilities

Liabilities, which include trade receivables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income comprises payments received concerning income in subsequent reporting years.