

*Repipe Lining Systems A/S
Livøvej 1 A
8800 Viborg*

CVR-no: 34 08 96 12

*ANNUAL REPORT
1 January 2021 - 31 March 2022
(10. accounting year)*

Approved at the annual General Meeting of the Company on 10/6 2022

Chairman of the meeting

The English part of this document is an unofficial translation of the original Danish text. In case of discrepancies, the Danish version shall apply.

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COMPANY INFORMATION

The Company	Repipe Lining Systems A/S Livøvej 1 A 8800 Viborg
	CVR-no.: 34 08 96 12 Financial year: 1 January - 31 March
Board of directors	Tom Davies, Chairman Lars Stenberg Nielsen Stephen Anthony Harris
Executive board	Lars Stenberg Nielsen
Ownership	Halma International Limited, Misbourne Court 1, Rectory Way, Amersham, HP7 0DE Buckinghamshire

MANAGEMENT'S STATEMENT

Today the Board of Directors and the Executive Board have discussed and approved the Annual Report of Repipe Lining Systems A/S for the Financial year 1 January 2021 - 31 March 2022.

The Annual Report has been prepared in conformity with the Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 31 March 2022 and of its financial performance for the financial year 1 January 2021 - 31 March 2022.

In our opinion the Management commentary includes a fair review of the matters described.

We recommend that the Annual Report be approved by the Annual General Meeting.

Viborg, on 10/6 2022

Executive board

Lars Stenberg Nielsen

Bord of Directors

Tom Davies
Chairman

Lars Stenberg Nielsen

Stephen Anthony Harris

INDEPENDENT AUDITOR'S REPORT

To the shareholders in Repipe Lining Systems A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2022, and of the results of the Company's operations for the financial year 1 January 2021 - 31 March 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Repipe Lining Systems A/S for the financial year 1 January 2021 - 31 March 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies (“financial statements”).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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

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 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 Responsible 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 ISAs 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.

INDEPENDENT AUDITOR'S REPORT

As part of an audit conducted in accordance with ISAs 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.

Herning, on 10/6 2022

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Kim Vorret
State Authorised Public Accountant
mne33256

ACCOUNTING POLICIES

GENERAL INFORMATION

The annual report of Repipe Lining Systems A/S for the financial year 2021/22 have been prepared in conformity with the provisions of the Financial Statements Act on class B enterprises combined with a few rules on class C enterprises.

Change in financial year

The company has changed the financial year from 1 January to 31 December 2021 to 1 January 2021 – 31 March 2022. Reporting date is now 31 March 2022. The reorientation of the financial year are due to adjustment to the Group's financial year.

This financial year includes the period 1 January 2021 – 31 March 2022. As comparative period 1 January to 31 December 2020 is used. This financial year's figures are not directly comparable with the Comparative figures.

Changes in accounting policies

The accounting policies have changed as follows:

The accounting policies applied are unchanged compared to last year, except for the recognition of domicile property. Leases for the company's domicile property have previously been handled as an operating lease, where management in the financial year has changed accounting policies for recognition as a financial lease; this for the sake of the true and fair view of the accounts.

The effect of this in 2022 is an increase in the company's assets by TDKK 5,433 and the company's liabilities by TDKK 5,496. The change has an effect on earnings of TDKK -63. The effect on the deferred tax is TDKK -14.

The company's management has chosen not to change the comparative figures in the accounts.

Except for the above-mentioned fields of the accounting policies, the accounting policies are consistent with those of the previous year. The reporting currency is Danish kroner.

Recognition and measurement in general

The financial statements have been prepared under the historical cost convention.

Income is recognised in the income statement when earned. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are also recognised in the income statement. Costs incurred to generate the earnings for the year are also recognised in the income statement, including amortisation, depreciation, impairment losses and provisions as well as reversals resulting from changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future financial benefits will flow to the Company and it is possible to obtain a reliable measurement of the individual assets.

ACCOUNTING POLICIES

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will flow from the Company and it is possible to obtain a reliable measurement of the individual liabilities.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item.

Certain financial assets and liabilities are measured at amortised cost, whereby a constant effective interest rate is recognised over the life of the individual asset or liability. Amortised cost is determined as original cost less any repayments and with the addition/deduction of the accumulated amortisation of the difference between cost and nominal amount.

Anticipated losses and risks arising before the presentation of the financial statements and confirming or disconfirming facts and circumstances known at the reporting date are taken into consideration at recognition and measurement.

The functional currency used is Danish kroner. All other currencies are considered foreign currencies.

Leases

Leases under which the Company assumes all material risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the asset and the present value of the lease payments calculated by applying the internal rate of return or an approximate value thereof as the discount rate. Assets held under finance leases are depreciated or impaired as per the same policies as determined for the other non-current assets of the Company.

The capitalised residual lease obligation is recognised as a liability in the balance sheet, and the interest element of lease payments is charged to the income statement as incurred.

Foreign currency translation

Foreign currency transactions are translated at the exchange rates ruling at the transaction dates. Gains and losses arising from movements between the exchange rates at the date of the individual transaction and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, accounts payable and other monetary items denominated in a foreign currency, but not settled at the reporting date, are translated at the exchange rates ruling at the reporting date.

Exchange rate differences between the exchange rates at the reporting date and the date of the individual transaction are recognised in the income statement as financial income or financial expenses.

INCOME STATEMENT

General information

Certain income and expenses have been aggregated in the item designated 'Gross profit' with reference to section 32 of the Financial Statements Act.

ACCOUNTING POLICIES

Gross profit

Gross profit is a combination of the items of 'Revenue', 'Change in inventories of finished goods, work in progress and goods for resale', 'Other operating income', 'Cost of raw materials and consumables' and 'Other external costs'.

Gross profit consists of a contraction of the items' net sales, production costs and other operating income.

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end. Revenue is recognised exclusive of VAT and net of sales discounts.

Cost of raw materials and consumables

Cost of raw materials and consumables includes the cost of goods purchased less discounts and changes in inventories for the year.

Other external expenses

Other external expenses include costs for sales, advertising, administration, premises, bad debts, rental expenses under operating leases, etc.

Staff costs

Staff costs include wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement from the Government.

Financial income and expenses

Financial income and expenses are recognised in the income statement based on the amounts which relate to the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses on securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme. Dividends from other equity investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax for the year comprises current tax and changes in deferred tax. The share attributable to the profit or loss for the year is recognised in the income statement, and the share attributable directly to equity is recognised directly in equity.

BALANCE SHEET

Intangible assets

Development projects

Development costs comprise costs, including wages, salaries and amortisation that are directly or indirectly attributable to the development activities of the enterprise and meet the recognition criteria.

ACCOUNTING POLICIES

Capitalised development costs are measured at the lower of cost less accumulated amortisation and the recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated economic life after completion of the development work. The normal amortisation period is 3-5 years, but never more than 20 years.

Property, plant and equipment

Property, plant and equipment is measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued. Land is not depreciated.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of a composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

	<u>User time</u>	<u>Residual value</u>
Properties, leasing	10 år	0 %

Property, plant and equipment held under leases and qualifying as finance leases are treated according to the same guidelines as assets owned.

Inventories

Inventories are measured at cost according to the FIFO method. Where the net realisable value is lower than cost, the inventories are written down to this lower value.

The cost of goods for resale, raw materials and consumables is the landed cost.

The cost of work in progress is the cost of raw materials, consumables, direct payroll costs, and direct and indirect production costs. Indirect production costs include indirect materials, wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment, factory administration and management, and capitalised product development costs.

ACCOUNTING POLICIES

The net realisable value of inventories is calculated as the selling price less costs of completion and costs incurred to perform sales. The value is determined taking into consideration marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost, which normally corresponds to the nominal value. The value is reduced by an allowance for expected impairment losses.

Prepayments

Prepayments recognised under assets include costs already defrayed but relating to the subsequent financial year.

Cash and cash equivalents

Cash and cash equivalents include deposits in banks with bank accounts as well as cash and cash equivalents.

Equity

Development cost reserve

Development cost reserve includes recognised development costs. The reserve is not available for the payment of dividends or losses. The reserve is reduced or dissolved by depreciation of the recognised development costs or abandonment of the activity. Such reduction or dissolution is made by means of a transfer to distributable reserves.

Corporate income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the balance sheet as calculated 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 using the balance-sheet liability method on temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases. In cases where the tax base can be determined under alternative taxation rules, such as in relation to shares, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are measured at their anticipated net realisable value, either by elimination in tax on future earnings or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at their net realisable values.

Deferred tax is measured based on the tax rules and tax rates applicable when the deferred tax is expected to crystallise as current tax according to the legislation in force at the reporting date. Any change in deferred tax as a result of changes in the tax rates is recognised in the income statement.

ACCOUNTING POLICIES

Payables

The capitalised residual lease obligation under finance leases is also recognised in financial liabilities.

Other payables, comprising trade payables and amounts owed to Group enterprises and associates and other accounts payable, are measured at amortised cost, which normally corresponds to the nominal value.

INCOME STATEMENT
1. JANUAR 2021 - 31. MARTS 2022

	2021/22	2020
GROSS PROFIT	-655.327	1.476.403
2 Staff costs	-1.083.118	-1.032.235
Amortisation, depreciation and impairment losses - intangible assets and property, plant and equipment	-708.109	-194.593
OPERATING PROFIT OR LOSS	-2.446.554	249.575
Other financial income	10.409	21.056
Other financial expenses.....	-186.377	-103.612
PROFIT OR LOSS BEFORE TAX	-2.622.522	167.019
Tax on net profit for the year.....	193.739	-37.446
PROFIT OR LOSS FOR THE YEAR	-2.428.783	129.573
PROPOSED DISTRIBUTION OF NET PROFIT		
Retained earnings	-2.428.783	129.573
SETTLEMENT OF DISTRIBUTION TOTAL	-2.428.783	129.573

BALANCE SHEET
ASSETS

	31/3-2022	31/12-2020
4 Research and development costs	0	336.289
Intangible assets	0	336.289
5 Land and buildings	5.433.119	0
Property, plant and equipment	5.433.119	0
NON-CURRENT ASSETS	5.433.119	336.289
Finished goods and goods for resale.....	897.600	2.310.566
Inventories	897.600	2.310.566
Trade receivables	204.054	274.126
Corporate income tax.....	105.943	0
Other receivables	33.388	29.207
Deferred tax asset	21.794	0
Accruals	37.422	5.677
Receivables	402.601	309.010
Cash	152.363	134.438
CURRENT ASSETS	1.452.564	2.754.014
ASSETS	6.885.683	3.090.303

BALANCE SHEET
EQUITY AND LIABILITIES

	31/3-2022	31/12-2020
Contributed capital	600.000	600.000
Reserve for development costs	0	199.945
Retained earnings	-2.325.480	-96.643
EQUITY	-1.725.480	703.302
Provision for deferred tax	0	66.002
Other provisions	109.532	0
PROVISIONS	109.532	66.002
Lease obligations	4.976.550	0
6 Long-term payables	4.976.550	0
Current portion of long-term liabilities	519.351	0
Credit institutions	0	1.338.332
Trade creditors	265.502	200.803
Amounts owed to group enterprises	2.700.000	443.707
Corporate income tax	0	149.740
Other accounts payable	40.228	188.417
Short-term payables	3.525.081	2.320.999
PAYABLES	8.501.631	2.320.999
EQUITY AND LIABILITIES	6.885.683	3.090.303
7 Charges and securities		

STATEMENT OF CHANGES IN EQUITY

	31/3-2022	31/12-2020
Contributed capital opening.....	600.000	600.000
Contributed capital closing balance.....	600.000	600.000
Reserve for development costs opening	199.945	286.527
Disposals during the year	-199.945	-86.582
Reserve for development costs closing balance.....	0	199.945
Retained earnings at beginning of period	-96.642	-312.798
Profit or loss for the year	-2.428.783	129.573
Transfer reserve for revaluation of development costs ..	199.945	86.582
Retained earnings closing balance	-2.325.480	-96.643
EQUITY	-1.725.480	703.302

NOTES

1 Principal activity of the Company

As in previous years, the company's main activity has consisted of the development, production and sale of spray systems for pipe and duct renovation and accessories therefor.

	2021/22	2020
2 Staff costs		
Number of people employed	2	3
Wages and salaries.....	925.016	898.301
Pensions	97.585	86.460
Other social security costs	60.517	47.474
Staff costs total	<u>1.083.118</u>	<u>1.032.235</u>

3 Special entries

Wage compensation.....	0	-71.813
Special entries total.....	<u>0</u>	<u>-71.813</u>

The amount is recognized in gross profit.

4 Intangible assets

Cost at beginning of period	996.562
Additions during the year	13.066
Disposals during the year	-491.659
Cost 31. marts 2022	<u>517.969</u>
Amortisation, depreciation and impairment losses at beginning of period ..	-660.273
Depreciation and impairment losses arising on assets disposed of	409.716
Amortisation, depreciation and impairment losses for the year	-267.412
Amortisation, depreciation and impairment losses 31. marts 2022.....	<u>-517.969</u>
Intangible assets total	<u>0</u>

Research and development costs

NOTES

	Land and buildings
5 Property, plant and equipment	
Additions during the year	5.873.816
Cost 31. marts 2022	<u>5.873.816</u>
Amortisation, depreciation and impairment losses for the year	<u>-440.697</u>
Amortisation, depreciation and impairment losses 31. marts 2022.....	<u>-440.697</u>
Property, plant and equipment total.....	<u><u>5.433.119</u></u>

Of which financial leasing assets DKK 5,433,119

	Total liabilities at end of period	Current portion	Outstanding balance after 5 years
6 Long-term payables			
Lease obligations	5.495.901	519.351	2.727.112
	<u>5.495.901</u>	<u>519.351</u>	<u>2.727.112</u>

7 Charges and securities

The company has issued an indemnity letter (corporate mortgage) for a total of DKK 2,500,000, which a mortgage on goodwill, right, etc., domain names, fixed assets and equipment, receivables for sales and services and inventories, the carrying amount of which is DKK 1,101,654. This is deposited as security for credit institutions.

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Lars Stenberg Nielsen

CEO

På vegne af: Repipe Lining Systems A/S

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2022-06-10 19:16:38 UTC



Lars Stenberg Nielsen

Bestyrelsesmedlem

På vegne af: Repipe Lining Systems A/S

Serienummer: 3b11ef0c-e88d-4ef9-bb78-18fd4d6f425c

IP: 188.177.xxx.xxx

2022-06-10 19:16:38 UTC



Tom Davies

Bestyrelsesformand

På vegne af: Repipe Lining Systems A/S

Serienummer: tom.davies@minicam.co.uk

IP: 84.71.xxx.xxx

2022-06-12 10:10:33 UTC

Stephen Anthony Harris

Bestyrelsesmedlem

På vegne af: Repipe Lining Systems A/S

Serienummer: stephen.harris@minicam.co.uk

IP: 85.255.xxx.xxx

2022-06-14 08:22:41 UTC

Kim Vorret

Statsautoriseret revisor

På vegne af: PwC

Serienummer: CVR:33771231-RID:88716434

IP: 83.136.xxx.xxx

2022-06-14 08:35:52 UTC



Lars Stenberg Nielsen

Dirigent

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