

Copac A/S

Diplomvej 381
DK-2800 Kongens Lyngby

CVR no. 34 62 51 15

Annual report for the period 1 January – 31 December 2021

The annual report was presented and approved at
the Company's annual general meeting on

26 July 2022

Henrik Kemp
Chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Copac A/S for the financial year 1 January – 31 December 2021.

The annual report, which has not been audited, is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Kgs. Lyngby, 26 July 2022
Executive Board:

Yuyang Feng

Board of Directors:

Henrik Kemp
Chairman

Jue Wang

Yuyang Feng

Management confirms that the Company fulfills the requirements to be exempt of audit.



Auditor's report on the compilation of financial statements

To the Management of Copac A/S

We have compiled the financial statements of Copac A/S for the financial year 1 January – 31 December 2021 based on the Company's bookkeeping records and other information provided by you.

The financial statements comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 *Compilation Engagements*.

We have applied our professional expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied relevant provisions of the Auditor Act, including the requirements for independence, and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental 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 your responsibility.

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

Copenhagen, 26 July 2022

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

Copac A/S
Annual report 2021
CVR no. 34 62 51 15

Management's review

Company details

Copac A/S
Diplomvej 381
2800 Kongens Lyngby

CVR no.: 34 62 51 15
Financial year: 1 January – 31 December

Board of Directors

Henrik Kemp, Chairman
Jue Wang
Yuyang Feng

Executive Board

Yuyang Feng

Management's review

Operating review

Principal activities

The company's activities consists of the development and sales of instruments and solutions to industries and research institutes.

Development in activities and financial position

The Company's income statement for 2021 shows a profit of DKK -769,821 as against DKK 3,125,636 in 2020. Equity in the Company's balance sheet at 31 December 2021 stood at DKK 1,236,545 as against DKK 3,156,366 at 31 December 2020.

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2021.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2021	2020
Gross profit/loss		-93,795	4,806,110
Staff costs	2	-807,908	-727,173
Depreciation, amortisation and impairment losses		-51,491	-51,491
Other operating costs		-361	0
Profit/loss before financial income and expenses		-953,555	4,027,446
Other financial income		159	0
Other financial expenses		-27,519	-36,787
Profit/loss before tax		-980,915	3,990,659
Tax on profit/loss for the year	3	211,094	-865,023
Profit/loss for the year		-769,821	3,125,636
Proposed profit appropriation/distribution of loss			
Paid extraordinary dividends		1,150,000	0
Retained earnings		-1,919,821	3,125,636
		-769,821	3,125,636

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2021	31/12 2020
ASSETS			
Fixed assets			
Property, plant and equipment			
Fixtures and fittings, tools and equipment		<u>154,473</u>	<u>205,964</u>
Investments			
Deposits		<u>15,857</u>	<u>15,857</u>
Total fixed assets		<u>170,330</u>	<u>221,821</u>
Current assets			
Inventories			
Finished goods and goods for resale		<u>30,000</u>	<u>30,000</u>
Receivables			
Trade receivables		17,063	6,750
Receivables from group entities		250,000	0
Other receivables		80,575	0
Deferred tax asset		<u>211,094</u>	<u>0</u>
		<u>558,732</u>	<u>6,750</u>
Cash at bank and in hand		<u>626,214</u>	<u>6,885,596</u>
Total current assets		<u>1,214,946</u>	<u>6,922,346</u>
TOTAL ASSETS		<u><u>1,385,276</u></u>	<u><u>7,144,167</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2021	31/12 2020
EQUITY AND LIABILITIES			
Equity			
Contributed capital		400,000	400,000
Retained earnings		836,545	2,756,366
Total equity		<u>1,236,545</u>	<u>3,156,366</u>
Liabilities			
Current liabilities			
Trade payables		18,210	259,579
Payables to group entities		0	120,287
Other payables		123,125	3,607,935
Payables to shareholders and Management		7,396	0
		<u>148,731</u>	<u>3,987,801</u>
Total liabilities		<u>148,731</u>	<u>3,987,801</u>
TOTAL EQUITY AND LIABILITIES		<u>1,385,276</u>	<u>7,144,167</u>
Contractual obligations, contingencies, etc.	4		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2021	400,000	2,756,366	3,156,366
Transferred over the [profit appropriation/distribution of loss]	0	-769,821	-769,821
Extraordinary dividends paid	0	-1,150,000	-1,150,000
Equity at 31 December 2021	400,000	836,545	1,236,545

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Copac A/S for 2021 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms © 2010.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Inventories

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

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash at bank and in hand

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Liabilities

Other liabilities are measured at net realisable value.

Other operating costs

Other operating costs comprise items secondary to the activities of the entity, including losses on the disposal of intangible assets and property, plant and equipment.

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Financial statements 1 January – 31 December

Notes

2 Staff costs

	2021	2020
DKK		
Wages and salaries	746,470	722,000
Pensions	38,816	0
Other social security costs	22,622	5,173
	<u>807,908</u>	<u>727,173</u>
Average number of full-time employees	<u>1</u>	<u>1</u>

3 Tax on profit/loss for the year

	2021	2020
DKK		
Current tax for the year	0	762,674
Deferred tax for the year	-211,094	102,349
	<u>-211,094</u>	<u>865,023</u>

4 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company is jointly taxed with other group companies and is jointly liable with the other group companies for payable and unsetting corporation and withholding taxes. The total amount for payable corporate tax is shown in the annual report for Aurora Holding ApS. Any subsequent corrections to the corporate tax and withholding taxes can lead to an increased liability for the Company.

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Henrik Kemp

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Henrik Kemp

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