

Edema ApS
Skanderborgvej 234, 8260 Viby J

Company reg. no. 34 70 87 03

Annual report

2019/20

The annual report was submitted and approved by the general meeting on the 2 February 2021.

Thomas Knudsen
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management commentary	
Company information	5
Management commentary	6
Financial statements 1 October 2019 - 30 September 2020	
Income statement	7
Statement of financial position	8
Notes	10
Accounting policies	11

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS 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 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of Edema ApS for the financial year 2019/20.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 30 September 2020 and of the company's results of activities in the financial year 1 October 2019 – 30 September 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Viby J, 20 January 2021

Managing Director

Klaus Østergaard

Board of directors

Thomas Knudsen

Christian Dalsgaard

John Michael Hasenkam

Independent auditor's report

To the shareholders of Edema ApS

Opinion

We have audited the financial statements of Edema ApS for the financial year 1 October 2019 - 30 September 2020, which comprise income statement, statement of financial position, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 30 September 2020 and of the results of the company's activities for the financial year 1 October 2019 - 30 September 2020 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 section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities 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 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 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism 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 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 and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

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

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

DK-8450 Hammel, 20 January 2021

Kvist & Jensen

Kvist & Jensen State Authorized Public Accountants
Company reg. no. 36 71 77 85

Johannes Simonsen

State Authorised Public Accountant
mne11802

Company information

The company	Edema ApS Skanderborgvej 234 8260 Viby J
	Company reg. no. 34 70 87 03 Established: 18 September 2012 Domicile: Aarhus Financial year: 1 October - 30 September
Board of directors	Thomas Knudsen Christian Dalsgaard John Michael Hasenkam
Managing Director	Klaus Østergaard
Auditors	Kvist & Jensen Statsautoriseret Revisionspartnerselskab
Bankers	Sparekassen Kronjylland
Parent company	Ohmatex A/S

Management commentary

The principal activities of the company

The Company's objective is development, production, marketing and sale of medical/biological measurement equipment in relation to excessive accumulation of fluid and business in relation hereto.

There has been no activities in previous year.

Uncertainties about recognition or measurement

Based on the present development results, it is Management's opinion that the Company's future cash flow will be sufficient to maintain the carrying amount of the capitalised development projects.

Consequently, at 30 September 2018 DKK 1.030.000 has been capitalised regarding the Company's development projects. The value of these depend on the final sales potential. There is thus significant uncertainty in relation to the value hereof.

It's Management's assessment that the valuation of the Company's development projects is sound..

Development in activities and financial matters

The revenue for the year totals DKK against DKK last year. Income or loss from ordinary activities after tax totals DKK -61.000 against DKK -59.000 last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

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

Income statement 1 October - 30 September

All amounts in DKK.

<u>Note</u>	<u>2019/20</u>	<u>2018/19</u>
Other external costs	-6.744	-8.219
Gross profit	-6.744	-8.219
1 Other financial costs	-54.306	-50.865
Pre-tax net profit or loss	-61.050	-59.084
Tax on net profit or loss for the year	0	0
Net profit or loss for the year	-61.050	-59.084
 Proposed appropriation of net profit:		
Allocated from retained earnings	-61.050	-59.084
Total allocations and transfers	-61.050	-59.084

Statement of financial position at 30 September

All amounts in DKK.

Assets		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Non-current assets		
Development projects in progress and prepayments for intangible assets	1.029.787	1.029.787
Total intangible assets	1.029.787	1.029.787
Total non-current assets	1.029.787	1.029.787
Current assets		
Other debtors	1.637	0
Total receivables	1.637	0
Cash on hand and demand deposits	3.201	3.221
Total current assets	4.838	3.221
Total assets	1.034.625	1.033.008

Statement of financial position at 30 September

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity		
2 Contributed capital	90.000	90.000
3 Retained earnings	-455.129	-394.079
Total equity	-365.129	-304.079
Liabilities other than provisions		
Trade payables	6.000	6.000
Payables to group enterprises	1.392.922	1.331.038
Other payables	832	49
Total short term liabilities other than provisions	1.399.754	1.337.087
Total liabilities other than provisions	1.399.754	1.337.087
Total equity and liabilities	1.034.625	1.033.008

4 Contingencies

Notes

All amounts in DKK.

	<u>2019/20</u>	<u>2018/19</u>
1. Other financial costs		
Financial costs, group enterprises	53.454	50.865
Other financial costs	<u>852</u>	<u>0</u>
	<u>54.306</u>	<u>50.865</u>
	<u>30/9 2020</u>	<u>30/9 2019</u>
2. Contributed capital		
Contributed capital 1 October 2019	<u>90.000</u>	<u>90.000</u>
	<u>90.000</u>	<u>90.000</u>
3. Retained earnings		
Retained earnings 1 October 2019	-394.079	-334.995
Profit or loss for the year brought forward	<u>-61.050</u>	<u>-59.084</u>
	<u>-455.129</u>	<u>-394.079</u>

4. Contingencies

Joint taxation

With STG Growth APS, company reg. no 35889620 as administration company, the company is subject to the Danish scheme of joint taxation and is proportionally liable for tax claims within the joint taxation scheme.

Accounting policies

The annual report for Edema ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Income statement

Other external costs

Other external costs comprise costs incurred for administration.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

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

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Accounting policies

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets 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 for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.