

# Newsycle Denmark ApS

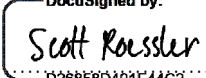
c/o Advokatfirmaet Kjellegaard Jensen, Tuborg Boulevard 12, 3., 2900 Hellerup

CVR no. 35 38 46 93

## Annual report 2021

Approved at the Company's annual general meeting on 19 July 2022

Chair of the meeting:

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Scott Roessler

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### Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Newscycle Denmark ApS for the financial year 1 January - 31 December 2021.

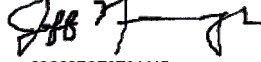
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company 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.

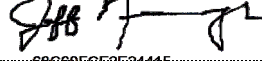
Hellerup, 19 July 2022  
Executive Board:

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Jeffrey Paul Neunsinger

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Scott Roessler  
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Scott Edward Roessler

Board of Directors:

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Scott Edward Roessler  
Chair

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Jeffrey Paul Neunsinger

## Independent auditor's report

To the shareholders of Newscycle Denmark ApS

### Opinion

We have audited the financial statements of Newscycle Denmark ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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

### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

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.

### 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 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 responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 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.

## Independent auditor's report

- ▶ 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 note 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.

### Statement on the Management's review

Management is responsible for the Management's review.

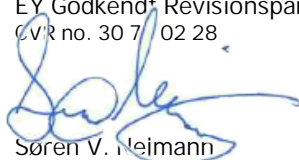
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aalborg, 19 July 2022  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 71 02 28



Søren V. Neimann  
State Authorised Public Accountant  
mne32775



Henrik K. Andersen  
State Authorised Public Accountant  
mne36193

## Management's review

## Company details

Name	Newscycle Denmark ApS c/o Advokatfirmaet Kjellegaard Jensen, Tuborg Boulevard 12, 3., 2900 Hellerup
Address, Postal code, City	
CVR no.	35 38 46 93
Established	25 June 2013
Registered office	Gentofte
Financial year	1 January - 31 December
Telephone	+45 96 31 42 00
Board of Directors	Scott Edward Roessler, Chair Jeffrey Paul Neunsinger
Executive Board	Jeffrey Paul Neunsinger Scott Edward Roessler
Auditors	EY Godkendt Revisionspartnerselskab Vestre Havnepromenade 1A, 9000 Aalborg, Denmark

## Management's review

### Business review

Newscycle Denmark ApS is a holding company with the purpose of owning shares in Naviga A/S

### Financial review

The income statement for 2021 shows a loss of DKK 274 thousand against a profit of DKK 1,899 thousand last year, and the balance sheet at 31 December 2021 shows equity of DKK 24,216 thousand.

### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements 1 January - 31 December

## Income statement

Note	DKK'000	2021	2020
	Gross loss	-39	-25
2	Financial income	708	2,846
3	Financial expenses	-943	-922
	Profit/loss for the year	-274	1,899
	Recommended appropriation of profit/loss	-274	1,899
	Retained earnings/accumulated loss	-274	1,899



## Financial statements 1 January - 31 December

## Balance sheet

Note	DKK'000	2021	2020
	ASSETS		
	Fixed assets		
4	Investments		
	Investments in group entities	40,387	40,387
		<u>40,387</u>	<u>40,387</u>
	Total fixed assets	<u>40,387</u>	<u>40,387</u>
	Non-fixed assets		
	Receivables		
	Receivables from group entities	18,432	16,417
		<u>18,432</u>	<u>16,417</u>
	Total non-fixed assets	<u>18,432</u>	<u>16,417</u>
	TOTAL ASSETS	<u>58,819</u>	<u>56,804</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	171	171
	Retained earnings	24,045	24,319
	Total equity	<u>24,216</u>	<u>24,490</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group entities	34,571	32,288
	Other payables	32	26
		<u>34,603</u>	<u>32,314</u>
	Total liabilities other than provisions	<u>34,603</u>	<u>32,314</u>
	TOTAL EQUITY AND LIABILITIES	<u>58,819</u>	<u>56,804</u>

- 1 Accounting policies
- 6 Contractual obligations and contingencies, etc.
- 7 Collateral
- 8 Related parties

## Financial statements 1 January - 31 December

## Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2021	171	24,319	24,490
Transfer through appropriation of loss	0	-274	-274
Equity at 31 December 2021	171	24,045	24,216

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Newscycle Denmark ApS for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 110(1) of the Danish Financial Statements Act, consolidated financial statements have not been prepared.

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

#### Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Income statement

##### Gross loss

The items other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

##### Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to administration etc.

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

On payment of joint taxation contributions, the Danish corporate income tax charge 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 been able to use the tax losses to reduce their own taxable income.

#### Balance sheet

##### Investments in subsidiaries

Investments in subsidiaries are measured at cost, which includes the cost of acquisition calculated at fair value plus direct costs of acquisition. If there is evidence of impairment, an impairment test is conducted. Where the carrying amount exceeds the recoverable amount, a write-down is made to such lower value.

##### Impairment of fixed assets

Every year, investments in subsidiaries are reviewed for impairment. Where there is indication of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

##### Receivables

Receivables are measured at amortised cost. Write-down is made for expected losses at the net realisable value.

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

## Financial statements 1 January - 31 December

## Notes to the financial statements

DKK'000		2021	2020	
2	Financial income			
	Interest receivable, group entities	708	683	
	Other financial income	0	2,163	
		<u>708</u>	<u>2,846</u>	
3	Financial expenses			
	Interest expenses, group entities	680	922	
	Other financial expenses	263	0	
		<u>943</u>	<u>922</u>	
4	Investments			
		Equity	Profit/loss	
	<u>Name</u>	<u>Domicile</u>	<u>DKK'000</u>	<u>DKK'000</u>
	Subsidiaries			
	Naviga A/S	Denmark	55,866	-10,281

## 5 Deferred tax

The Company has tax losses at a carrying amount of DKK 55,834 thousand. As it is uncertain if these tax losses can be utilised within a foreseeable future, their carrying amount has not been recognised in the financial statements.

## 6 Contractual obligations and contingencies, etc.

## Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends falling due for payment.

## 7 Collateral

The Company has placed its shares in the subsidiary Naviga A/S as security for loans to other companies in the group.

## 8 Related parties

## Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>
Newscycle Solutions Holdings Inc.	Bloomington, USA