

# **Cardia International A/S**


**Hersegade 34C, 4000 Roskilde**

**Company reg. no. 35 81 25 63**

## **Annual report**

**1 April 2022 - 31 March 2023**

The annual report was submitted and approved by the general meeting on the 15 June 2023.

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Mike William Vermin  
Chairman of the meeting

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**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 EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.

## **Management's statement**

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Today, the Board of Directors and the Managing Director have approved the annual report of Cardia International A/S for the financial year 1 April 2022 - 31 March 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2023 and of the results of the Company's operations for the financial year 1 April 2022 – 31 March 2023.

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

We recommend that the annual report be approved at the Annual General Meeting.

Roskilde, 15 June 2023

**Managing Director**

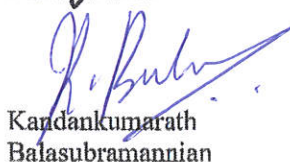


Mike William Vermin

**Board of directors**



Kavita Swane



Kandankumarath  
Balasubramannian



Mike William Vermin

Rajeshkumar Shreedhar Tiwari

## **Independent auditor's report**

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### **To the Shareholders of Cardia International A/S**

#### **Opinion**

We have audited the financial statements of Cardia International A/S for the financial year 1 April 2022 - 31 March 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under 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 March 2023, and of the results of the Company's operations for the financial year 1 April 2022 - 31 March 2023 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 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 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 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**

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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.

### **Statement on Management's Review**

Management is responsible for Management's Review.

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

## **Independent auditor's report**

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In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management's Review.

Copenhagen, 15 June 2023

### **Grant Thornton**

State Authorised Public Accountants  
Company reg. no. 34 20 99 36



Martin Bomholtz

State Authorised Public Accountant  
mne34117

**Company information**

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**The company**

Cardia International A/S

Hersegade 34C

4000 Roskilde

Company reg. no. 35 81 25 63

Domicile:

Financial year: 1 April - 31 March

**Board of directors**

Kavita Swane

Mike William Vermin

Rajeshkumar Shreedhar Tiwari

Kandankumarath Balasubramannian

**Managing Director**

Mike William Vermin

**Auditors**

Grant Thornton, Statsautoriseret Revisionspartnerselskab

Stockholmsgade 45

2100 København Ø

**Parent company**

Skanray Healthcare Global Pvt. Ltd.

## **Management's review**

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### **Description of key activities of the company**

Cardia International A/S is manufacturing and selling the defibrillator CardiAid.

### **Development in activities and financial matters**

The revenue for the year totals EUR 2.495.000 against EUR 2.939.000 last year. Income or loss from ordinary activities after tax totals EUR -400.000 against EUR 70.000 last year. Management considers the net profit or loss for the year as expected.

The company has lost more than 50% of the company's capital and is thus subject to the Companies Act's rules for capital loss.

The parent company has submitted a statement of support to continue to make the necessary working capital and liquidity available to the company. The statement of support is valid for up to 12 months from the general meeting's approval of the annual report for 2022.

On this basis, the management presents the annual report as going concern.

### **Events occurring after the end of the financial year**

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



**Income statement 1 April - 31 March**

All amounts in EUR.

<u>Note</u>	<u>2022/23</u>	<u>2021/22</u>
Revenue	2.494.897	2.939.255
Costs of raw materials and consumables	-2.054.136	-2.114.292
Other external expenses	-682.532	-615.956
<b>Gross profit</b>	<b>-241.771</b>	<b>209.007</b>
Depreciation, amortisation, and impairment	-115.810	-123.308
Other operating expenses	-29.230	0
<b>Operating profit</b>	<b>-386.811</b>	<b>85.699</b>
Other financial income	97	0
1 Other financial expenses	-13.749	-15.425
<b>Pre-tax net profit or loss</b>	<b>-400.463</b>	<b>70.274</b>
Tax on net profit or loss for the year	0	0
<b>Net profit or loss for the year</b>	<b>-400.463</b>	<b>70.274</b>
<b>Proposed distribution of net profit:</b>		
Transferred to retained earnings	0	70.274
Allocated from retained earnings	-400.463	0
<b>Total allocations and transfers</b>	<b>-400.463</b>	<b>70.274</b>

**Balance sheet at 31 March**

All amounts in EUR.

<b>Assets</b>			
<u>Note</u>		<u>2023</u>	<u>2022</u>
<b>Non-current assets</b>			
2	Development projects	117.672	253.069
3	Software	6.906	15.150
	Total intangible assets	<u>124.578</u>	<u>268.219</u>
4	Other fixtures, fittings, tools and equipment	4.198	5.597
	Total property, plant, and equipment	<u>4.198</u>	<u>5.597</u>
5	Investments in group enterprises	1	1
	Total investments	<u>1</u>	<u>1</u>
	<b>Total non-current assets</b>	<b><u>128.777</u></b>	<b><u>273.817</u></b>
<b>Current assets</b>			
	Raw materials and consumables	44.054	22.781
	Manufactured goods and goods for resale	<u>181.643</u>	<u>135.385</u>
	Total inventories	<u>225.697</u>	<u>158.166</u>
	Trade receivables	584.890	504.751
	Receivables from group enterprises	0	88.107
	Income tax receivables	0	117
	Other receivables	25.269	13.655
	Prepayments	<u>418.437</u>	<u>257.103</u>
	Total receivables	<u>1.028.596</u>	<u>863.733</u>
	Cash and cash equivalents	<u>56.029</u>	<u>133.450</u>
	<b>Total current assets</b>	<b><u>1.310.322</u></b>	<b><u>1.155.349</u></b>
	<b>Total assets</b>	<b><u>1.439.099</u></b>	<b><u>1.429.166</u></b>

**Balance sheet at 31 March**

All amounts in EUR.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2023</u>	<u>2022</u>
<b>Equity</b>			
Contributed capital		100.030	100.030
Reserve for development costs		91.783	197.394
Retained earnings		-323.484	-28.632
<b>Total equity</b>		<b>-131.671</b>	<b>268.792</b>
<b>Liabilities other than provisions</b>			
Payables to shareholders and management		201.925	165.716
<b>Total long term liabilities other than provisions</b>		<b>201.925</b>	<b>165.716</b>
Trade payables		948.717	415.198
Payables to group enterprises		188.354	153.717
Other payables		194.758	365.615
Deferred income		37.016	60.128
<b>Total short term liabilities other than provisions</b>		<b>1.368.845</b>	<b>994.658</b>
<b>Total liabilities other than provisions</b>		<b>1.570.770</b>	<b>1.160.374</b>
<b>Total equity and liabilities</b>		<b>1.439.099</b>	<b>1.429.166</b>

**6 Charges and security**

**Statement of changes in equity**

All amounts in EUR.

	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity 1 April 2022	100.030	197.394	-28.632	268.792
Retained earnings for the year	0	0	-400.463	-400.463
Transferred from retained earnings	0	-105.611	0	-105.611
Transferred from development costs	0	0	105.611	105.611
	<b>100.030</b>	<b>91.783</b>	<b>-323.484</b>	<b>-131.671</b>

## Notes

All amounts in EUR.

	2022/23	2021/22
<b>1. Other financial expenses</b>		
Interest, banks	139	371
Interest, intercompany balances	13.698	15.054
Exchange differences	-88	0
	<b>13.749</b>	<b>15.425</b>
<b>2. Development projects</b>		
Cost 1 April 2022	725.207	585.988
Additions during the year	0	139.219
Disposals during the year	-29.230	0
<b>Cost 31 March 2023</b>	<b>695.977</b>	<b>725.207</b>
Amortisation and write-down 1 April 2022	-472.138	-374.258
Amortisation and depreciation for the year	-106.167	-97.880
<b>Amortisation and write-down 31 March 2023</b>	<b>-578.305</b>	<b>-472.138</b>
<b>Carrying amount, 31 March 2023</b>	<b>117.672</b>	<b>253.069</b>
<b>3. Software</b>		
Cost 1 April 2022	69.633	69.633
<b>Cost 31 March 2023</b>	<b>69.633</b>	<b>69.633</b>
Amortisation and write-down 1 April 2022	-54.483	-46.243
Amortisation and depreciation for the year	-8.244	-8.240
<b>Amortisation and write-down 31 March 2023</b>	<b>-62.727</b>	<b>-54.483</b>
<b>Carrying amount, 31 March 2023</b>	<b>6.906</b>	<b>15.150</b>

**Notes**

All amounts in EUR.

	31/3 2023	31/3 2022
<b>4. Other fixtures, fittings, tools and equipment</b>		
Cost 1 April 2022	200.638	200.638
<b>Cost 31 March 2023</b>	<b>200.638</b>	<b>200.638</b>
Depreciation and write-down 1 April 2022	-195.041	-177.853
Amortisation and depreciation for the year	-1.399	-17.188
<b>Depreciation and write-down 31 March 2023</b>	<b>-196.440</b>	<b>-195.041</b>
<b>Carrying amount, 31 March 2023</b>	<b>4.198</b>	<b>5.597</b>
<b>5. Investments in group enterprises</b>		
Cost 1 April 2022	1	10.000
<b>Cost 31 March 2023</b>	<b>1</b>	<b>10.000</b>
Other movements in capital 1	0	-9.999
<b>Write-down 31 March 2023</b>	<b>0</b>	<b>-9.999</b>
<b>Carrying amount, 31 March 2023</b>	<b>1</b>	<b>1</b>
<b>6. Charges and security</b>		
The company has no collateral or other securities as per 31/03/2023		

## **Accounting policies**

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The annual report for Cardia International A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR).

### **Income statement**

#### **Revenue**

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

#### **Cost of sales**

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

#### **Other external expenses**

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, loss on receivables, and operational leasing costs.

#### **Depreciation, amortisation, and write-down for impairment**

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

#### **Other operating expenses**

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

#### **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.

## Accounting policies

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### 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.

### 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.

#### Property, plant, and equipment

Other property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Plant and machinery	5-10 years	0-20 %
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.



## **Accounting policies**

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### **Impairment loss relating to non-current assets**

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises 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. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

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

### **Investments**

#### **Investments in group enterprises**

Investments in group enterprises are recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

### **Inventories**

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

### **Receivables**

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

## **Accounting policies**

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### **Prepayments**

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand.

### **Equity**

#### **Reserve for development costs**

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

#### **Income tax and deferred tax**

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

#### **Liabilities other than provisions**

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

#### **Deferred income**

Payments received concerning future income are recognised under deferred income.