

Real Relief Holding ApS

Esсен 26, 6000 Kolding

Annual report

2020

Company reg. no. 35 84 24 38

The annual report was submitted and approved by the general meeting on the 29 June 2021.

Poul Henrik Krøgh Nielsen
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British 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 %.

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Management's report

Today, the board of directors and the managing director have presented the annual report of Real Relief Holding ApS for the financial year 2020 of Real Relief Holding ApS.

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 31 December 2020 and of the company's results of activities in the financial year 1 January - 31 December 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.

Kolding, 24 June 2021

Managing Director

Trine Angeline Sig

Board of directors

Jesper Steen Tastesen

Torben Holm Larsen

Poul Henrik Krøgh Nielsen

Independent auditor's report on extended review

To the shareholders of Real Relief Holding ApS

Opinion

We have performed an extended review of the financial statements of Real Relief Holding ApS for the financial year 1 January to 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, we believe that the financial statements give a fair presentation of the assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We performed the extended review in accordance with the standard from the Danish Business Authority applicable to auditor's reports on small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable to extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the extended review of the financial statements". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the evidence 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 give a fair presentation in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management considers necessary to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the the financial statements, the 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 the 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 extended review of the financial statements

Our responsibility is to express an opinion on the financial statements. This requires that we plan and perform our procedures with the purpose of achieving moderate assurance as to our opinion on the financial statements. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

Independent auditor's report on extended review

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an assessment of the achieved evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the financial statements.

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 on the management commentary.

In connection with our extended review 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 extended review, 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 the management commentary is consistent with the financial statements and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not discover any material misstatement in the management commentary.

Kolding, 24 June 2021

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Maj-Britt Lykke Viskum

State Authorised Public Accountant
mne35478

Company information

The company	Real Relief Holding ApS Essen 26 6000 Kolding Company reg. no. 35 84 24 38 Financial year: 1 January - 31 December
Board of directors	Jesper Steen Tastesen Torben Holm Larsen Poul Henrik Krøgh Nielsen
Managing Director	Trine Angeline Sig
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Jupitervej 4 6000 Kolding

Management commentary

The principal activities of the company

Like previous years, the principal activities are financial investments in subsidiaries and management for the subsidiaries.

Development in activities and financial matters

The gross loss for the year totals DKK -117.905 against DKK 3.639.484 last year. Income or loss from ordinary activities after tax totals DKK -729.316 against DKK 3.191.055 last year. Management considers the net profit or loss for the year non satisfactory due to the market conditions that have existed in relation to the global pandemic during the accounting period.

Management expects that operations in the coming years will show a positive trend, so that the company's equity will be re-established by future positive operations.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

In view of the great uncertainty created by COVID-19, and uncertain about the validity of the situation, it is now at the time difficult to make a reasonable assessment of the economic consequences of COVID-19. However, it is expected that the result of 2021 will improve compared to 2020.

Accounting policies

The annual report for Real Relief Holding ApS 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 last year, and the annual report is presented in DKK.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

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. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible assets, respectively.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement as a proportional share of the group enterprises' post-tax profit or loss.

Accounting policies

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 company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

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

Goodwill

Goodwill is amortised over the estimated useful life, which is determined on the basis of management's experience in the individual business areas. Goodwill is amortised on a straightline basis over the amortisation period, which is set at 5 years. The amortisation period is determined on the basis of an expected pay-back period, being the longer for strategical acquirees with a strong market position and an expected longterm earnings profile.

Impairment loss relating to non-current assets

The carrying amount of both intangible assets as well as equity investments in subsidiaries 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.

Accounting policies

Investments

Equity in group enterprises

Equity in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Equity in group enterprises recognised in the statement of financial position as a proportional share of the enterprise's equity value. This is calculated on the basis of the accounting policies of the parent less/plus unrealised intercompany profits and losses, and less/plus residual value of positive or negative goodwill measured by applying the purchase method.

Group enterprises with negative equity are recognised at no value and, to the extent they are considered irrevocable, amounts owed by these companies are made subject to impairment by the parent's share of the equity. If the negative equity exceeds the receivables, the residual amount is recognised under liability provisions to the extent that the parent has a legal or actual liability to cover the negative equity of these subsidiaries.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

For the acquisition of new group enterprises, the purchase method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for pre-determined restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of revaluations is taken into consideration.

Positive differences (goodwill) between cost and fair value of identifiable acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises and are amortised over their estimated useful economic life. The useful life is determined on the basis of management's experience in the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a longterm earnings potential. The carrying amount of goodwill is subject to impairment tests on a continuing basis and written down in the income statement in those cases when the carrying amount exceeds the expected future net income from the enterprise or the activity to which the goodwill is attached.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Accounting policies

Prepayments and accrued income

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

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

Liabilities other than provisions

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.

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross loss	-117.905	3.639.484
1 Staff costs	-1.451.138	-954.991
Amortisation and impairment of intangible assets	-5.833	-18.596
Operating profit	-1.574.876	2.665.897
Income from equity investments in group enterprises	734.766	777.827
2 Other financial costs	-94.488	-380.203
Pre-tax net profit or loss	-934.598	3.063.521
Tax on net profit or loss for the year	205.282	127.534
Net profit or loss for the year	-729.316	3.191.055
Proposed appropriation of net profit:		
Transferred to retained earnings	0	3.191.055
Allocated from retained earnings	-729.316	0
Total allocations and transfers	-729.316	3.191.055

Statement of financial position at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Non-current assets		
3 Goodwill	0	5.833
Total intangible assets	0	5.833
4 Equity investments in group enterprises	3.376.142	2.641.376
Total investments	3.376.142	2.641.376
Total non-current assets	3.376.142	2.647.209
Current assets		
Receivables from group enterprises	0	1.371.733
Tax receivables from group enterprises	205.282	127.534
Other receivables	0	12.427
Prepayments and accrued income	59.209	18.029
Total receivables	264.491	1.529.723
Cash on hand and demand deposits	101.506	103.595
Total current assets	365.997	1.633.318
Total assets	3.742.139	4.280.527

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity		
Contributed capital	113.400	113.400
Retained earnings	-3.165.636	-2.436.320
Total equity	-3.052.236	-2.322.920
Liabilities other than provisions		
Subordinate loan capital	1.900.000	1.900.000
Other debts	165.865	12.977
5 Total long term liabilities other than provisions	<u>2.065.865</u>	<u>1.912.977</u>
Trade payables	54.009	41.662
Payables to group enterprises	3.758.165	3.910.145
Payables to shareholders and management	0	3.673
Other payables	916.336	734.990
Total short term liabilities other than provisions	<u>4.728.510</u>	<u>4.690.470</u>
Total liabilities other than provisions	<u>6.794.375</u>	<u>6.603.447</u>
Total equity and liabilities	<u>3.742.139</u>	<u>4.280.527</u>
6 Charges and security		
7 Contingencies		

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2019	113.400	-5.627.375	-5.513.975
Profit or loss for the year brought forward	0	3.191.055	3.191.055
Equity 1 January 2020	113.400	-2.436.320	-2.322.920
Profit or loss for the year brought forward	0	-729.316	-729.316
	<u>113.400</u>	<u>-3.165.636</u>	<u>-3.052.236</u>

Notes

All amounts in DKK.

	<u>2020</u>	<u>2019</u>
1. Staff costs		
Salaries and wages	1.442.516	953.505
Other costs for social security	<u>8.622</u>	<u>1.486</u>
	<u>1.451.138</u>	<u>954.991</u>
Average number of employees	<u>3</u>	<u>3</u>
2. Other financial costs		
Other financial costs	<u>94.488</u>	<u>380.203</u>
	<u>94.488</u>	<u>380.203</u>
3. Goodwill		
Cost 1 January 2020	<u>45.000</u>	<u>45.000</u>
Cost 31 December 2020	<u>45.000</u>	<u>45.000</u>
Amortisation and writedown 1 January 2020	-39.167	-29.167
Amortisation for the year	<u>-5.833</u>	<u>-10.000</u>
Amortisation and writedown 31 December 2020	<u>-45.000</u>	<u>-39.167</u>
Carrying amount, 31 December 2020	<u>0</u>	<u>5.833</u>

Notes

All amounts in DKK.

	<u>31/12 2020</u>	<u>31/12 2019</u>
4. Equity investments in group enterprises		
Acquisition sum, opening balance 1 January 2020	165.620	149.618
Additions during the year	<u>0</u>	<u>16.002</u>
Cost 31 December 2020	<u>165.620</u>	<u>165.620</u>
Revaluations, opening balance 1 January 2020	2.475.756	1.598.947
Results for the year before goodwill amortisation	<u>734.766</u>	<u>876.809</u>
Revaluation 31 December 2020	<u>3.210.522</u>	<u>2.475.756</u>
Carrying amount, 31 December 2020	<u>3.376.142</u>	<u>2.641.376</u>
Group enterprises:		
	Domicile	Equity interest
Real Relief ApS	Kolding	100 %
Real Relief India Private Limited	Indien	99 %

Notes

All amounts in DKK.

5. Liabilities other than provision

	Total payables 31 Dec 2020	Current portion of long term payables	Long term payables 31 Dec 2020	Outstanding payables after 5 years
Subordinate loan capital	1.900.000	0	1.900.000	1.900.000
Other debts	165.865	0	165.865	0
	<u>2.065.865</u>	<u>0</u>	<u>2.065.865</u>	<u>1.900.000</u>

6. Charges and security

For bank loans in Real Relief ApS, TDKK 5,933, the company has provided security in company assets representing a nominal value of TDKK 6,000. This security comprises the assets below, stating the carrying amounts:

	DKK in thousands
Inventories	0
Other fixtures and fittings, tools and equipment	0
Trade receivables	0

The subsidiaries Real Relief ApS are also covered by this mortgage.

7. Contingencies

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of TDKK 0,000.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

Notes

All amounts in DKK.

7. Contingencies (continued)

Joint taxation (continued)

Deferred tax. has been provided at 22% corresponding to the future tax rate. Due to uncertainty as to when the company will be able to utilise the deferred tax asset, the company has recognised a value of TDKK 0 at 31 December 2020.