

Cavius Holding ApS
Julsøvej 16
8600 Silkeborg
Business Registration No
37157872

**Annual report 01.05.2018
- 30.04.2019**

The Annual General Meeting adopted the annual report on 30.09.2019

Chairman of the General Meeting

Name: Tom Deichmann

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Entity details

Entity

Cavius Holding ApS
Julsøvej 16
8600 Silkeborg

Central Business Registration No (CVR): 37157872

Founded: 14.10.2015

Registered in: Silkeborg

Financial year: 01.05.2018 - 30.04.2019

Board of Directors

Tom Deichmann
Kent Posselt Pedersen
Torben Hartvigsen
Glenn Højmosé
Rasmus Sandorff Jacobsen
Stephen Henry Ellwood

Executive Board

Glenn Højmosé

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Papirfabrikken 26
8600 Silkeborg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Cavius Holding ApS for the financial year 01.05.2018 - 30.04.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.04.2019 and of the results of its operations for the financial year 01.05.2018 - 30.04.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Silkeborg, 30.09.2019

Executive Board

Glenn Højmosé

Board of Directors

Tom Deichmann

Kent Posselt Pedersen

Torben Hartvigsen

Glenn Højmosé

Rasmus Sandorff Jacobsen

Stephen Henry Ellwood

Independent auditor's report

To the shareholders of Cavius Holding ApS

Opinion

We have audited the financial statements of Cavius Holding ApS for the financial year 01.05.2018 - 30.04.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 30.04.2019 and of the results of its operations for the financial year 01.05.2018 - 30.04.2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) 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.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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.

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:

Independent auditor's report

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Independent auditor's report

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

Silkeborg, 30.09.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Bo Blaabjerg Odgaard
State Authorised Public Accountant
Identification No (MNE) mne32122

Management commentary

Primary activities

The Company's primary activities consist in holding investments in other companies.

Development in activities and finances

The Company's profit is considered satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Income statement for 2018/19

	<u>Notes</u>	<u>2018/19</u> <u>DKK</u>	<u>2017/18</u> <u>DKK</u>
Other external expenses		<u>(12.563)</u>	<u>(12.500)</u>
Operating profit/loss		(12.563)	(12.500)
Income from investments in group enterprises		<u>(522.371)</u>	<u>(1.419.853)</u>
Profit/loss before tax		(534.934)	(1.432.353)
Tax on profit/loss for the year	1	<u>(550)</u>	<u>2.750</u>
Profit/loss for the year		(535.484)	(1.429.603)
Proposed distribution of profit/loss			
Retained earnings		<u>(535.484)</u>	<u>(1.429.603)</u>
		(535.484)	(1.429.603)

Balance sheet at 30.04.2019

	<u>Notes</u>	<u>2018/19</u> <u>DKK</u>	<u>2017/18</u> <u>DKK</u>
Investments in group enterprises		8.739.012	9.661.389
Fixed asset investments	2	8.739.012	9.661.389
Fixed assets		8.739.012	9.661.389
Deferred tax		5.500	0
Income tax receivable		0	8.250
Receivables		5.500	8.250
Current assets		5.500	8.250
Assets		8.744.512	9.669.639

Balance sheet at 30.04.2019

	<u>Notes</u>	<u>2018/19</u> <u>DKK</u>	<u>2017/18</u> <u>DKK</u>
Contributed capital		125.260	125.260
Reserve for net revaluation according to the equity method		2.725.398	3.647.775
Retained earnings		<u>5.341.718</u>	<u>4.954.825</u>
Equity		<u>8.192.376</u>	<u>8.727.860</u>
Payables to group enterprises		527.136	916.779
Other payables		<u>25.000</u>	<u>25.000</u>
Current liabilities other than provisions		<u>552.136</u>	<u>941.779</u>
Liabilities other than provisions		<u>552.136</u>	<u>941.779</u>
Equity and liabilities		<u>8.744.512</u>	<u>9.669.639</u>
Contingent liabilities	3		

Statement of changes in equity for 2018/19

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Total DKK
	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>
Equity beginning of year	125.260	3.647.775	4.954.825	8.727.860
Transfer to reserves	0	(922.377)	922.377	0
Profit/loss for the year	<u>0</u>	<u>0</u>	<u>(535.484)</u>	<u>(535.484)</u>
Equity end of year	<u>125.260</u>	<u>2.725.398</u>	<u>5.341.718</u>	<u>8.192.376</u>

Notes

	2018/19	2017/18
	DKK	DKK
1. Tax on profit/loss for the year		
Current tax	0	(2.750)
Change in deferred tax	(2.750)	0
Adjustment concerning previous years	3.300	0
	550	(2.750)
		Invest- ments in group enterprises DKK
2. Fixed asset investments		
Cost beginning of year		6.013.614
Cost end of year		6.013.614
Revaluations beginning of year		2.743.496
Share of profit/loss for the year		(522.371)
Dividend		(1.000.000)
Revaluations end of year		1.221.125
Impairment losses beginning of year		904.279
Other adjustments		599.994
Impairment losses end of year		1.504.273
Carrying amount end of year		8.739.012

	Registered in	Corpo- rate form	Equity inte- rest %
Investments in group enterprises comprise:			
Cavius ApS	Silkeborg	ApS	100,0
Cavius Electronics	China	N/A	66,0

Notes

3. Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2015/16 for income taxes etc. for the jointly taxed companies and from 14 October 2015 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 112 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question are classified directly as equity.

Accounting policies

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or write-down. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Accounting policies

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.