



ECA Consortium A/S

Åvej 19, 2680 Solrød Strand

Company reg. no. 37 95 18 38

Annual report

2022

The annual report was submitted and approved by the general meeting on the 20 April 2023.

Peter Madsen
Chairman of the meeting

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 %.*

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Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of ECA Consortium A/S for the financial year 2022.

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

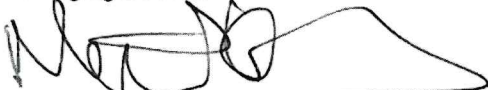
We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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.

Solrød Strand, 20 April 2023

Managing Director



Michael Reitz Wick

Board of directors



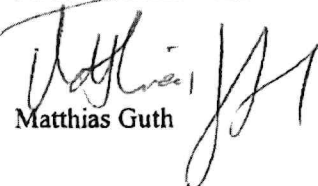
David Rocci Friedland
Chairman



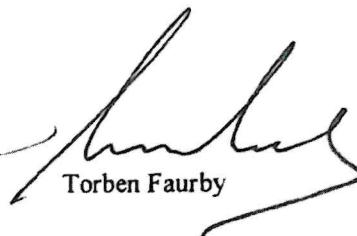
Peter Madsen



Michael Reitz Wick



Matthias Guth



Torben Faurby

To the Shareholders of ECA Consortium A/S

Opinion

We have audited the financial statements of ECA Consortium A/S for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, 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 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 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

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.

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.

Independent auditor's report

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.

Sønderborg, 20 April 2023

Sønderjyllands Revision

State Authorised Public Accountants
Company reg. no. 18 06 16 35



Flemming Callesen
State Authorised Public Accountant
mne18489



Lars Ehmsen Boysen
State Authorised Public Accountant
mne49108

Company information

The company

ECA Consortium A/S
Åvej 19
2680 Solrød Strand

Company reg. no. 37 95 18 38
Established: 19 August 2016
Domicile: Solrød, Denmark
Financial year: 1 January - 31 December
7th financial year

Board of directors

David Rocci Friedland, Chairman, *Chairman*
Michael Reidtz Wick
Torben Faurby
Peter Madsen
Matthias Guth

Managing Director

Michael Reidtz Wick

Auditors

Sønderjyllands Revision, Statsautoriseret revisionsaktieselskab
Jyllandsgade 28
6400 Sønderborg

Description of key activities of the company

Like previous years, the principal activity is to commercialize the demand for relevant parties to get into or remain on the market for products that has to fulfill the requirement of the Biocidal Product Regulation (BPR).

Development in activities and financial matters

The gross profit for the year totals EUR 679.621 against EUR -293.094 last year. Income or loss from ordinary activities after tax totals EUR 474.741 against EUR -429.017 last year.

The business result in 2022 fulfill our expectation with a profit before tax of 474.741 € what was around 20 % above the budget. (figures has to be adjusted to final account)

We have succeeded to make the product authorization application to the deadline 1 of July and have her serve our shareholders and several external customers in several EU Countries.

Our investments were 15 % above budget do to several additional efficacy test.

This year we will pay out dividends to our shareholders.

On 1 March 2023, Peter Madsen will step down as CEO of the company and Michael Reidtz Wick will take over.

Main activities in 2022

The main activity has been to fulfill the application work for product authorization for In-situ and for bottling to fulfill the EU Biocidal Product Regulation, and has make a lot of 5 batch GLP test of the disinfection liquid to show Technical Equivalence to the EU approved disinfection liquid for both shareholders and external customers.

The application work for UK (HSE) has started and will continue during the coming years.

Outlook

The future shows interesting new business opportunities for ECA Consortium A/S and can continue to show good future business results for the company.

The company has during years created a god well respected knowledge in the market, and have built a good knowledge base in the Biocidal Product Regulation.

Accounting policies

The annual report for ECA Consortium 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).

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross profit

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

Accounting policies

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.

Direct costs comprises costs concerning purchase of raw materials and consumables consumed to achieve revenue for the year.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets as well as operating loss and conflict compensation. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

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

Staff costs

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

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.

Results from investments in subsidiaries

Dividend from investments in subsidiaries is recognised in the financial year in which the dividend is declared.

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

Investments

Investments in subsidiaries

Investments in subsidiaries 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.

Impairment loss relating to non-current assets

The carrying amount of 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.

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.

Cash and cash equivalents

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

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under 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.

Liabilities other than provisions

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

Income statement 1 January - 31 December

All amounts in EUR.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Gross profit	679.621	-293.094
1 <i>Staff costs</i>	<u>-194.288</u>	<u>-127.910</u>
Operating profit	485.333	-421.004
<i>Other financial income</i>	4.198	77
<i>Other financial expenses</i>	<u>-14.790</u>	<u>-8.090</u>
Pre-tax net profit or loss	474.741	-429.017
<i>Tax on net profit or loss for the year</i>	<u>0</u>	<u>0</u>
Net profit or loss for the year	474.741	-429.017
Proposed distribution of net profit:		
<i>Dividend for the financial year</i>	433.500	0
<i>Transferred to retained earnings</i>	41.241	0
<i>Allocated from retained earnings</i>	<u>0</u>	<u>-429.017</u>
Total allocations and transfers	474.741	-429.017

Balance sheet at 31 December

All amounts in EUR.

<u>Note</u>	<u>2022</u>	<u>2021</u>
<i>Assets</i>		
<i>Non-current assets</i>		
<i>Investments in group enterprises</i>	1	1
<i>Total investments</i>	1	1
<i>Total non-current assets</i>	1	1
<i>Current assets</i>		
<i>Trade receivables</i>	281.446	25.334
<i>Income tax receivables</i>	16.913	22.601
<i>Other receivables</i>	14.998	72.474
<i>Total receivables</i>	313.357	120.409
<i>Cash and cash equivalents</i>	1.414.171	1.176.465
<i>Total current assets</i>	1.727.528	1.296.874
<i>Total assets</i>	1.727.529	1.296.875

Balance sheet at 31 December

All amounts in EUR.

Equity and liabilities

<u>Note</u>	<u>2022</u>	<u>2021</u>
<i>Equity</i>		
<i>Contributed capital</i>	102.000	102.000
<i>Retained earnings</i>	1.019.402	978.161
<i>Proposed dividend for the financial year</i>	433.500	0
<i>Total equity</i>	<u>1.554.902</u>	<u>1.080.161</u>
<i>Long term liabilities other than provisions</i>		
<i>Trade payables</i>	20.170	126.454
<i>Other payables</i>	152.457	90.260
<i>Total short term liabilities other than provisions</i>	<u>172.627</u>	<u>216.714</u>
<i>Total liabilities other than provisions</i>	<u>172.627</u>	<u>216.714</u>
<i>Total equity and liabilities</i>	<u>1.727.529</u>	<u>1.296.875</u>

Statement of changes in equity

All amounts in EUR.

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Proposed dividend for the financial year</u>	<u>Total</u>
<i>Equity 1 January</i>					
<i>2022</i>	102.000	0	978.161	0	1.080.161
<i>Profit or loss for the year brought forward</i>	0	0	41.241	433.500	474.741
	102.000	0	1.019.402	433.500	1.554.902

Notes

All amounts in EUR.

	<u>2022</u>	<u>2021</u>
1. Staff costs		
Salaries and wages	194.110	127.754
Other costs for social security	<u>178</u>	<u>156</u>
	<u>194.288</u>	<u>127.910</u>
Average number of employees	<u>1</u>	<u>1</u>