



# **ECA Consortium A/S**

**Åvej 19, 2680 Solrød Strand**

*Company reg. no. 37 95 18 38*

*Annual report*

**2023**

*The annual report was submitted and approved by the general meeting on the 19 April 2024.*

A handwritten signature in blue ink, appearing to read 'Peter Madsen', is written over a horizontal line.

**Peter Madsen**  
*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 ECA Consortium A/S for the financial year 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 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 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.

*Solrød Strand, 3 April 2024*

### ***Managing Director***

Michael Reidtz Wick

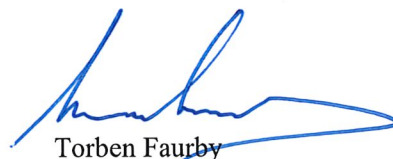
### ***Board of directors***

  
David Rocci Friedland  
Chairman

  
Peter Madsen

  
Michael Reidtz 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 2023, 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 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 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.

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***

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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, 3 April 2024*

### **Sønderjyllands Revision**

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

**Maj Kirkegaard Rotne**  
*State Authorised Public Accountant*  
mne41402

**Lars Ehmsen Boysen**  
*State Authorised Public Accountant*  
mne49108

## ***Company information***

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***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  
8th 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  
Augustenborg Landevej 7  
6400 Sønderborg

***Subsidiary***

ECA Consortium UK Limited, Prenton, England

**Description of key activities of the company**

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

**Development in activities and financial matters**

The gross loss for the year totals t.EUR -259 against t.EUR 680 last year. Income or loss from ordinary activities after tax totals t.EUR -364 against t.EUR 475 last year.

The financial results for 2023 primarily reflect the incurred development costs for product authorization. Additionally, invoicing for Letters of Authorization (LoAs) for active substances and product authorization in the EU was considerably lower than 2022 as expected due to the June 2022 deadline.

Expected sales of active substance LoAs in Great Britain were delayed as the application article 95 listing was submitted in January 2024. Listing expected Q2 2024.

There remains still a interest from external customers seeking our services to ensure compliance with both the Biocidal Products Regulation 528/12 and the UK Biocidal Products Regulation.



## ***Accounting policies***

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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, write-downs 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 loss**

Gross loss comprises the revenue and external costs.

## ***Accounting policies***

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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 less discounts.

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, 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 group enterprises**

Dividend from investments in group enterprises 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 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.

#### **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.

## ***Accounting policies***

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### **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***

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All amounts in EUR.

<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Gross profit</b>	<b>-259.394</b>	<b>679.621</b>
1 <i>Staff costs</i>	<u>-103.597</u>	<u>-194.288</u>
<b>Operating profit</b>	<b>-362.991</b>	<b>485.333</b>
<i>Other financial income</i>	39	4.198
<i>Other financial expenses</i>	<u>-1.510</u>	<u>-14.790</u>
<b>Pre-tax net profit or loss</b>	<b>-364.462</b>	<b>474.741</b>
<i>Tax on net profit or loss for the year</i>	<u>0</u>	<u>0</u>
<b>Net profit or loss for the year</b>	<b>-364.462</b>	<b>474.741</b>
<b>Proposed distribution of net profit:</b>		
<i>Dividend for the financial year</i>	0	433.500
<i>Transferred to retained earnings</i>	0	41.241
<i>Allocated from retained earnings</i>	<u>-364.462</u>	<u>0</u>
<b>Total allocations and transfers</b>	<b>-364.462</b>	<b>474.741</b>

## ***Balance sheet at 31 December***

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*All amounts in EUR.*

<u>Note</u>	<u>2023</u>	<u>2022</u>
<b><i>Assets</i></b>		
<b><i>Non-current assets</i></b>		
<i>Investments in group enterprises</i>	<u>1</u>	<u>1</u>
<i>Total investments</i>	<u>1</u>	<u>1</u>
<b><i>Total non-current assets</i></b>	<b><u>1</u></b>	<b><u>1</u></b>
<b><i>Current assets</i></b>		
<i>Trade receivables</i>	105.847	281.446
<i>Income tax receivables</i>	8.456	16.913
<i>Other receivables</i>	<u>13.315</u>	<u>14.998</u>
<i>Total receivables</i>	<u>127.618</u>	<u>313.357</u>
<i>Cash and cash equivalents</i>	<u>699.427</u>	<u>1.414.171</u>
<b><i>Total current assets</i></b>	<b><u>827.045</u></b>	<b><u>1.727.528</u></b>
<b><i>Total assets</i></b>	<b><u>827.046</u></b>	<b><u>1.727.529</u></b>

## ***Balance sheet at 31 December***

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All amounts in EUR.

<u>Note</u>	<u>2023</u>	<u>2022</u>
<b><i>Equity and liabilities</i></b>		
<b><i>Equity</i></b>		
<i>Contributed capital</i>	102.000	102.000
<i>Retained earnings</i>	654.940	1.019.402
<i>Proposed dividend for the financial year</i>	0	433.500
<b><i>Total equity</i></b>	<b><u>756.940</u></b>	<b><u>1.554.902</u></b>
<b><i>Liabilities other than provisions</i></b>		
<i>Trade payables</i>	17.874	20.170
<i>Other payables</i>	52.232	152.457
<i>Total short term liabilities other than provisions</i>	<u>70.106</u>	<u>172.627</u>
<b><i>Total liabilities other than provisions</i></b>	<b><u>70.106</u></b>	<b><u>172.627</u></b>
<b><i>Total equity and liabilities</i></b>	<b><u>827.046</u></b>	<b><u>1.727.529</u></b>

## *Statement of changes in equity*

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All amounts in EUR.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Proposed dividend for the financial year</u>	<u>Total</u>
<i>Equity 1 January 2023</i>	102.000	1.019.402	433.500	1.554.902
<i>Distributed dividend</i>	0	0	-433.500	-433.500
<i>Profit or loss for the year brought forward</i>	0	-364.462	0	-364.462
	<b>102.000</b>	<b>654.940</b>	<b>0</b>	<b>756.940</b>

## Notes

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All amounts in EUR.

	<u>2023</u>	<u>2022</u>
<b>1. Staff costs</b>		
Salaries and wages	103.288	194.110
Other costs for social security	<u>309</u>	<u>178</u>
	<b><u>103.597</u></b>	<b><u>194.288</u></b>
Average number of employees	<u>1</u>	<u>1</u>