



ECA Consortium A/S

Blegen 9, 4. TH, 6400 Sønderborg

Company reg. no. 37 95 18 38

Annual report

2020

The annual report was submitted and approved by the general meeting on the 6 April 2021.

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 %.

Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management commentary	
Company information	5
Management commentary	6
Financial statements 1 January - 31 December 2020	
Accounting policies	7
Income statement	10
Statement of financial position	11
Statement of changes in equity	13
Notes	14

Sønderjyllands Revision

Management's report

The board of directors and the managing director have today presented the annual report of ECA Consortium A/S for the financial year 1 January to 31 December 2020.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Sønderborg, 28 February 2021

Managing Director



Peter Madsen

Board of directors



David Rocci Friedland
Chairman



Michael Reidtz Wick



Uwe Felix Hellstern



Torben Faurby



Peter Madsen

Independent auditor's report

To the shareholders of ECA Consortium A/S

Opinion

We have audited the annual accounts of ECA Consortium A/S for the financial year 1 January to 31 December 2020, which comprise accounting policies, profit and loss account, balance sheet, statement of changes in equity and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January to 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". 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 audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

Management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by management and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

Management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not find any material misstatement in the management's review.

Sønderborg, 28 February 2021

Sønderjyllands Revision

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



Flemming Callesen
State Authorised Public Accountant
mne18489

Company information

The company

ECA Consortium A/S
Blegen 9, 4. TH
6400 Sønderborg

Company reg. no. 37 95 18 38
Established: 19 August 2016
Domicile: Sønderborg, Denmark
Financial year: 1 January - 31 December
5th financial year

Board of directors

David Rocci Friedland, Chairman
Michael Reidtz Wick
Uwe Felix Hellstern
Torben Faurby
Peter Madsen

Managing Director

Peter Madsen

Auditors

Sønderjyllands Revision, Statsautoriseret revisionsaktieselskab
Jyllandsgade 28
6400 Sønderborg

Management commentary

The principal activity 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 is EUR 1.181.955 against EUR 104.367 last year. The results from ordinary activities after tax are EUR 960.033 against EUR 38.132 last year.

Accounting policies

The annual report for ECA Consortium A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual report is presented in euro (EUR)

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, 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.

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, work performed for own account and 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. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Direct costs comprise the raw materials and consumables consumed to achieve revenue for the year.

Other operating income comprises accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed assets.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

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.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

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.

Available funds

Available funds comprise cash at bank and in 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.

Accounting policies

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

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>2020</u>	<u>2019</u>
Gross profit	1.181.955	104.367
1 Staff costs	-135.423	-64.414
Operating profit	1.046.532	39.953
Other financial income	0	52
Other financial costs	-3.889	-1.873
Pre-tax net profit or loss	1.042.643	38.132
Tax on net profit or loss for the year	-82.610	0
Net profit or loss for the year	960.033	38.132
Proposed appropriation of net profit:		
Transferred to retained earnings	960.033	38.132
Total allocations and transfers	960.033	38.132

Statement of financial position at 31 December

All amounts in EUR.

Assets		<u>2020</u>	<u>2019</u>
<u>Note</u>			
Current assets			
Trade debtors		128.969	25.575
Receivable corporate tax		96.448	1.879
Other debtors		80.048	8.003
Total receivables		<u>305.465</u>	<u>35.457</u>
Available funds		<u>1.176.296</u>	<u>339.567</u>
Total current assets		<u>1.481.761</u>	<u>375.024</u>
Total assets		<u>1.481.761</u>	<u>375.024</u>

Statement of financial position at 31 December

All amounts in EUR.

Equity and liabilities	<u>2020</u>	<u>2019</u>
<u>Note</u>		
Equity		
Contributed capital	94.000	98.000
Results brought forward	<u>1.255.325</u>	<u>239.395</u>
Total equity	<u>1.349.325</u>	<u>337.395</u>
 Liabilities other than provisions		
Trade creditors	22.264	7.090
Other debts	<u>110.172</u>	<u>30.539</u>
Total short term liabilities other than provisions	<u>132.436</u>	<u>37.629</u>
 Total liabilities other than provisions	<u>132.436</u>	<u>37.629</u>
 Total equity and liabilities	<u>1.481.761</u>	<u>375.024</u>

Statement of changes in equity

All amounts in EUR.

	Contributed capital	Share premium	Retained earnings	Total
Equity 1 January 2020	98.000	0	239.395	337.395
Cash capital increase	4.000	55.898	0	59.898
Profit or loss for the year brought forward	0	0	960.032	960.032
Transferred to results brought forward	0	-55.898	55.898	0
Cash capital reduction	-8.000	0	0	-8.000
	94.000	0	1.255.325	1.349.325

Notes

All amounts in EUR.

	<u>2020</u>	<u>2019</u>
1. Staff costs		
Salaries and wages	135.240	63.561
Other costs for social security	<u>183</u>	<u>853</u>
	<u>135.423</u>	<u>64.414</u>
Average number of employees	<u>1</u>	<u>1</u>