



TechTree ApS

**Kurreholmvej 32
3330 Gørløse**

CVR no. 38 30 92 42

**Annual report for the period
1. juli 2018 to 30. juni 2019
(2nd Financial year)**

Adopted at the annual general
meeting on 14 November 2019

Ulrik Kejser Nyvold
chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Auditor's report on compilation of the financial statements	2
Management's review	
Company details	3
Management's review	4
Financial statements	
Accounting policies	5
Income statement	8
1 July 2018 - 30 June 2019	
Balance sheet 30 June	9
Notes to the annual report	11

Statement by management on the annual report

The executive board has today discussed and approved the annual report of TechTree ApS for the financial year 1. juli 2018 - 30. juni 2019.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 30. juni 2019 and of the results of the company's operations for the financial year 1. juli 2018 - 30. juni 2019.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Gørløse, 29 October 2019

Executive board

Ulrik Kejser Nyvold

Sune Graae Norsker

Auditor's report on compilation of the financial statements

To the shareholder of TechTree ApS

We have compiled the financial statements of TechTree ApS for the financial year 1. juli 2018 - 30. juni 2019 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises summary of significant accounting policies, income statement, balance sheet and notes.

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and Audit Firms and FSR - Danish Auditors' Code of Ethics for Professional Accountants, including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Helsingø, 29 October 2019

Møller-Jensen
statsautoriseret revisionsanpartsselskab
CVR no. 68 49 78 17

Søren Møller-Jensen
statsautoriseret revisor
MNE no. mne32072

Company details

The company

TechTree ApS
Kurreholmvej 32
3330 Gørløse

CVR no.: 38 30 92 42

Reporting period: 1. juli 2018 - 30. juni 2019

Incorporated: 5. January 2017

Domicile: Hillerød

Executive board

Ulrik Kejser Nyvold
Sune Graae Norsker

Auditors

Møller-Jensen
statsautoriseret revisionsanpartsselskab
Frederiksborgvej 14, 1.
3200 Helsingø

Management's review

Business activities

The company's purpose is to develop, produce, sell and otherwise commercialize cloned plants

Business review

The company's income statement for the year ended 30 June shows a loss of DKK 287.859, and the balance sheet at 30. juni 2019 shows negative equity of DKK 874.719.

The shareholders have declared that they will support the company financially for the next 12 months with the necessary funds and hence have prepared the accounts in accordance with going concern principles

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of TechTree ApS for 2018/19 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2018/19 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Accounting policies

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Other external expenses also comprise research and development costs that do not qualify for capitalisation.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Accounting policies

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings	3 - 5 years

Assets costing less than DKK 13.800 are expensed in the year of acquisition.

Receivables

Receivables are measured at amortised cost.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

Income statement

1 July 2018 - 30 June 2019

	<u>Note</u>	<u>2018/19</u> DKK	<u>2018</u> DKK
Gross profit		-330.920	-282.027
Staff costs	1	<u>-1.287</u>	<u>-511.577</u>
Resultat før af- og nedskrivninger		-332.207	-793.604
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-5.160</u>	<u>-5.160</u>
Profit/loss before net financials		-337.367	-798.764
Financial costs	2	<u>-34.309</u>	<u>-15.293</u>
Profit/loss before tax		-371.676	-814.057
Tax on profit/loss for the year	3	<u>83.817</u>	<u>177.197</u>
Profit/loss for the year		<u>-287.859</u>	<u>-636.860</u>
 Recommended appropriation of profit/loss			
Retained earnings		<u>-287.859</u>	<u>-636.860</u>
		<u>-287.859</u>	<u>-636.860</u>

Balance sheet 30 June

Assets

	<u>Note</u>	<u>2019</u> DKK	<u>2017/18</u> DKK
Other fixtures and fittings, tools and equipment		5.160	10.320
Tangible assets	4	5.160	10.320
Total non-current assets		5.160	10.320
Other receivables		9.108	1.403
Joint taxation contributions receivable		83.817	171.341
Receivables		92.925	172.744
Cash at bank and in hand		13.848	18.231
Total current assets		106.773	190.975
Total assets		111.933	201.295

Balance sheet 30 June

Equity and liabilities

	<u>Note</u>	<u>2019</u> DKK	<u>2017/18</u> DKK
Share capital		50.000	50.000
Retained earnings		-924.719	-636.860
Equity	5	-874.719	-586.860
Trade payables		0	3.820
Payables to group enterprises		975.664	774.099
Other payables		10.988	10.236
Total current liabilities		986.652	788.155
Total liabilities		986.652	788.155
Total equity and liabilities		111.933	201.295
Uncertainty about the continued operation (going concern)	6		
Contingencies, etc.	7		

Notes

	<u>2018/19</u>	<u>2018</u>
	DKK	DKK
1 Staff costs		
Wages and salaries	0	510.566
Other staff costs	<u>1.287</u>	<u>1.011</u>
	<u>1.287</u>	<u>511.577</u>
Average number of employees	<u>0</u>	<u>1</u>
2 Financial costs		
Financial expenses, group entities	<u>34.309</u>	<u>15.293</u>
	<u>34.309</u>	<u>15.293</u>
3 Tax on profit/loss for the year		
Joint taxation contribution	<u>-83.817</u>	<u>-177.197</u>
	<u>-83.817</u>	<u>-177.197</u>

Notes

4 Tangible assets

	Other fixtures and fittings, tools and equipment
Cost at the beginning	15.480
Cost at the end	15.480
Impairment losses and depreciation at the beginning	5.160
Depreciation for the year	5.160
Impairment losses and depreciation at the end	10.320
Carrying amount at the end	5.160

5 Equity

	Share capital	Retained earnings	Total
Equity at the beginning	50.000	-636.860	-586.860
Net profit/loss for the year	0	-287.859	-287.859
Equity at the end	50.000	-924.719	-874.719

6 Uncertainty about the continued operation (going concern)

The company has negative equity. The shareholders have declared that they will support the company financially at least for the next 12 months and hence have prepared the accounts in accordance with going concern principles.

7 Contingencies, etc.

The company is jointly taxed with group companies and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.