

Infuser Holding ApS

Ole Maaløes Vej 5
2200 Copenhagen N
Central Business Registration No
38541536

Annual report 2017

The Annual General Meeting adopted the annual report on 18.06.2018

Chairman of the General Meeting

Name: Lars Nygaard Jepsen

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Entity details

Entity

Infuser Holding ApS
Ole Maaløes Vej 5
2200 Copenhagen N

Central Business Registration No: 38541536
Registered in: Copenhagen
Financial year: 24.03.2017 - 31.12.2017

Board of Directors

Lars Nygaard Jepsen
Finn Mogensen
Oh Kim Sun
Antonio Jose Mugica Rivero
Matthew Stanley Johnson

Executive Board

Lars Nannerup, CEO
Lars Nygaard Jepsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Infuser Holding ApS for the financial year 24.03.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 24.03.2017 - 31.12.2017.

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.

Copenhagen, 18.06.2018

Executive Board

Lars Nannerup
CEO

Lars Nygaard Jepsen

Board of Directors

Lars Nygaard Jepsen

Finn Mogensen

Oh Kim Sun

Antonio Jose Mugica Rivero

Matthew Stanley Johnson

Independent auditor's report

To the shareholders of Infuser Holding ApS

Opinion

We have audited the financial statements of Infuser Holding ApS for the financial year 24.03.2017 - 31.12.2017, 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 31.12.2017 and of the results of its operations for the financial year 24.03.2017 - 31.12.2017 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.

Material uncertainty related to going concern

The company is dependent on the subsidiary Infuser ApS' continued operation. As no agreement regarding further equity financing of Infuser ApS has currently been finalized, there is a degree of uncertainty related to the company's ability to continue as a going concern. For further description, reference is made to note 1. Our audit opinion have not been qualified as a result of above.

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,

Independent auditor's report

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:

- 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

Independent auditor's report

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.

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.

Copenhagen, 18.06.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No: 33963556

Bjørn Winkler Jakobsen
State Authorised Public Accountant
Identification number (MNE) mne32127

Henrik Wolff Mikkelsen
State Authorised Public Accountant
Identification number (MNE) mne33747

Management commentary

Primary activities

The company's main activities is to hold shares in subsidiaries.

Development in activities and finances

The loss for the year are DKK (53)k. The total assets are DKK 6,204k. and the equity is DKK 6.001k.

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 2017

	<u>Note</u> <u>s</u>	<u>2017</u> <u>DKK</u>
Gross profit/loss		(50.000)
Other financial expenses	3	<u>(3.036)</u>
Profit/loss for the year		<u>(53.036)</u>
Proposed distribution of profit/loss		
Retained earnings		<u>(53.036)</u>
		<u>(53.036)</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>
Completed development projects		<u>0</u>
Intangible assets	4	<u>0</u>
Investments in group enterprises		<u>6.204.095</u>
Fixed asset investments	5	<u>6.204.095</u>
Fixed assets		<u>6.204.095</u>
Assets		<u>6.204.095</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>
Contributed capital		2.917.459
Retained earnings		<u>3.083.600</u>
Equity		<u>6.001.059</u>
Payables to group enterprises		103.036
Other payables		<u>100.000</u>
Current liabilities other than provisions		<u>203.036</u>
Liabilities other than provisions		<u>203.036</u>
Equity and liabilities		<u>6.204.095</u>
Going concern	1	
Uncertainty relating to recognition and measurement	2	
Contingent liabilities	6	

Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Total DKK
Contributed upon formation	2.917.459	3.136.636	6.054.095
Extraordinary dividend paid	0	(12.596.418)	(12.596.418)
Other equity postings	0	12.596.418	12.596.418
Profit/loss for the year	0	(53.036)	(53.036)
Equity end of year	2.917.459	3.083.600	6.001.059

Notes

1. Going concern

The company is dependent on the subsidiary Infuser ApS' continued operation. The Management in Infuser ApS is aware of the company's capital resources. The management in Infuser ApS has after year-end had dialogue with potential investors which will ensure Infuser ApS a significant capital injection which will secure the cash flow for the rest of 2018. As no agreement regarding further equity financing of Infuser ApS has currently been finalized, there is a degree of uncertainty related to the Infuser ApS ability to continue as a going concern, which causes uncertainty on the effect on Infuser Holding ApS continued operation.

2. Uncertainty relating to recognition and measurement

Investments in group enterprises totals DKK 6.204k. Investments in group enterprises are measured at cost. Group enterprises balance sheet consists of material development projects and patents, since there has been no significant income related the mentioned projects and patents, the measurement in group enterprises is subject to significant uncertainty. Therefore there is uncertainty related to the measurement of investments in group enterprises. Management is confident that income and cash flow related to projects and patents will be significant and that the significant uncertainty primarily relates to the timing of income and cash flow. It is the opinion of Management that the net booked value of development projects and the related patents including investments in group enterprises is not subject to impairment.

3. Other financial expenses

Financial expenses from group enterprises

2017

DKK

3.036

3.036

Completed

develop-

ment

projects

DKK

4. Intangible assets

Additions

9.204.443

Disposals

(9.204.443)

Cost end of year

0

Carrying amount end of year

0

Notes

	Investments in group enterprises DKK
5. Fixed asset investments	
Additions	8.828.974
Disposals	<u>(2.624.879)</u>
Cost end of year	<u>6.204.095</u>
Carrying amount end of year	<u>6.204.095</u>

6. Contingent liabilities

The Entity serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the date of group establishment for income taxes etc for the jointly taxed entities, also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

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 for these financial statements are consistent with those applied last year.

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 one 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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of raw materials and consumables and external expenses.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

Other financial expenses

Other financial expenses comprise interest expenses as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Accounting policies

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights, patents and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using the estimated useful lives of the assets. The amortisation period is 5 years. Development projects are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

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

Other financial liabilities

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