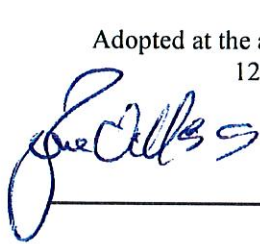


ELEKTOR AIRSYSTEMS APS
Industrivænget 7, Meløse
3320 Skævinge

Annual report for 2018

Adopted at the annual general meeting on
12 March 2019



chairman

CVR-nr. 38 55 82 69

TABLE OF CONTENTS

	Page
Statements	
Statement by management on the annual report	3
Independent auditor's report	4
 Management's review	
Company details	7
Management's review	8
 Financial statements	
Accounting policies	9
Income statement 1 January - 31 December	11
Balance sheet 31 December	12
Notes to the annual report	14

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The executive board has today discussed and approved the annual report of Elektror airsystems ApS for the financial year 1 January - 31 December 2018.

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 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018.

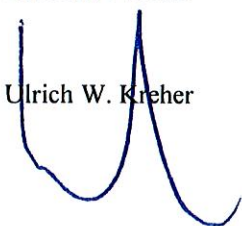
In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

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

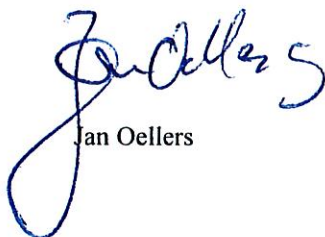
Hillerød, 12 March 2019

Executive board

Ulrich W. Kreher

A stylized blue ink signature of Ulrich W. Kreher, consisting of a large 'U' and a smaller 'K'.

Jan Oellers

A blue ink signature of Jan Oellers, written in a cursive style.

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Elektror airsystems ApS

Opinion

We have audited the financial statements of Elektror airsystems ApS for the financial year 1 January - 31 December 2018, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. 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 company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018 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' 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.

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 the 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.

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.

INDEPENDENT AUDITOR'S REPORT

- 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.

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

INDEPENDENT AUDITOR'S REPORT

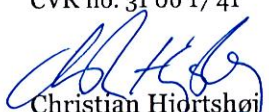
Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 12 March 2019

MAZARS

Statsautoriseret Revisionspartnerselskab

CVR no. 31 06 17 41



Christian Hjortshøj

state authorized public accountant

MNE no. mne34485

COMPANY DETAILS

The company

Elektor airsystems ApS
Industrivænget 7, Meløse
3320 Skævinge

CVR no.: 38 55 82 69

Reporting period: 1 January - 31 December 2018

Domicile: Hillerød

Executive board

Ulrich W. Kreher
Jan Oellers

Auditors

Mazars
Statsautoriseret Revisionspartnerselskab
Østerfælled Torv 10, 2. sal
2100 København Ø

MANAGEMENT'S REVIEW

Business activities

The Company's activity is to sell electro technical appliances and other related business.

Unusual matters

The company's financial position at 31 December 2018 and the results of its operations for the financial year ended 31 December 2018 are not affected by any unusual matters.

Business review

The company's income statement for the year ended 31 December shows a profit of DKK 477.269, and the balance sheet at 31 December 2018 shows equity of DKK 1.511.516.

ACCOUNTING POLICIES

The annual report of Elektror airsystems ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected provisions as regards larger entities.

The annual report for 2018 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.

Income statement

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 less other external expenses.

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes.

Other external expenses

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

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.

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, etc.

ACCOUNTING POLICIES

Tax on profit/loss for the year

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.

Balance sheet

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

Receivables

Receivables are measured at amortised cost.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

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.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

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

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Gross profit		1.778.629	1.479.928
Staff costs	1	<u>-1.142.075</u>	<u>-626.300</u>
Profit/loss before net financials		636.554	853.628
Financial costs		<u>-23.017</u>	<u>-3.682</u>
Profit/loss before tax		613.537	849.946
Tax on profit/loss for the year	2	<u>-136.268</u>	<u>-187.594</u>
Profit/loss for the year		<u>477.269</u>	<u>662.352</u>
 Distribution of profit			
Retained earnings		<u>477.269</u>	<u>662.352</u>
		<u>477.269</u>	<u>662.352</u>

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
ASSETS			
Finished goods and goods for resale		538.333	0
Stocks		<u>538.333</u>	<u>0</u>
Receivables from subsidiaries		0	105.708
Other receivables		18.914	12.865
Prepayments		17.500	306
Receivables		<u>36.414</u>	<u>118.879</u>
Cash at bank and in hand		<u>1.781.660</u>	<u>1.161.011</u>
Total current assets		<u>2.356.407</u>	<u>1.279.890</u>
Total assets		<u><u>2.356.407</u></u>	<u><u>1.279.890</u></u>

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
EQUITY AND LIABILITIES			
Share capital		371.895	371.895
Retained earnings		<u>1.139.621</u>	<u>662.352</u>
Equity	3	<u>1.511.516</u>	<u>1.034.247</u>
Payables to subsidiaries		538.333	0
Corporation tax		136.268	187.594
Other payables		<u>170.290</u>	<u>58.049</u>
Total current liabilities		<u>844.891</u>	<u>245.643</u>
Total liabilities		<u>844.891</u>	<u>245.643</u>
Total equity and liabilities		<u><u>2.356.407</u></u>	<u><u>1.279.890</u></u>
Rent and lease liabilities	4		

NOTES

	2018 DKK	2017 DKK
1 STAFF COSTS		
Wages and salaries	700.470	391.489
Pensions	421.200	224.141
Other social security costs	18.249	2.460
Other staff costs	2.156	8.210
	<u>1.142.075</u>	<u>626.300</u>
 Average number of employees	 <u>1</u>	 <u>1</u>

2 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	136.268	187.594
	<u>136.268</u>	<u>187.594</u>

3 EQUITY	Share capital	Retained earnings	Total
Equity at 1 January 2018	371.895	662.352	1.034.247
Net profit/loss for the year	0	477.269	477.269
Equity at 31 December 2018	<u>371.895</u>	<u>1.139.621</u>	<u>1.511.516</u>

- 4 RENT AND LEASE LIABILITIES**
The company has entered into a lease obligation. The total lease obligation in the interminable period amounts to TDKK 154.