

TeleSense Europe ApS

Agro Food Park 15
8200 Aarhus N

Annual report
1 January 2019 - 31 December 2019

**The annual report has been presented and
approved on the company's general meeting the**

04/08/2020

Thomas Nørgaard Kylling
Chairman of general meeting

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Company information

Reporting company TeleSense Europe ApS
Agro Food Park 15
8200 Aarhus N

CVR-nr: 38647377
Reporting period: 01/01/2019 - 31/12/2019

**Main financial
institution** Middelfart Sparekasse

Statement by Management

Management has today considered and approved the annual report for the financial year 01. January 2019 - 31. December 2019 for TeleSense Europe ApS.

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

Management believes that the financial statements give a true and fair view of the company's assets, liabilities and financial position and of the result.

The annual report is submitted for approval by the General Assembly.

Management considers the conditions for opting out of audit to be met.

Aarhus, the 04/08/2020

Management

Thomas Nørgaard Kylling

Board of directors

Peter Votkjær Jørgensen

Naeem Zafar

Spencer Cohen Maughan

Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class B.
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The annual report has been prepared in accordance with the regulation applying to Reporting class B.

General information on recognition and measurement

In the income statement, income is recognized as it is earned, including value adjustments of financial assets and liabilities. In the income statement, all costs are also recognized, including depreciation and write-downs.

Assets are recognized 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 recognized in the balance sheet when it is probable that future economic benefits will be deducted the company and the value of the liability can be measured reliably.

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

Certain financial assets and liabilities are measured at amortized cost, whereby a constant is recognized effective interest over the term. Amortized cost is calculated as the original cost less deductions of any installments as well as addition / deduction of the accumulated amortization of the difference between cost, price, and nominal amount.

When recognizing and measuring, predictable losses and risks that arise before the annual report are considered which confirms or refutes conditions that existed at the balance sheet date.

INCOME

Net sales

Net revenue from the sale of merchandise and finished goods is recognized in the income statement if delivery and transfer of risk to the buyer has taken place before the end of the year. Revenue is recognized excluding VAT, taxes and with deductions from the discounts in connection with the sale.

Product consumption

Consumption of goods includes costs incurred to achieve net sales for the year. Included direct and indirect costs of raw materials and consumables.

Other external costs

Other external costs include costs for distribution, sales, advertising, administration, premises, losses on debtors, operating leasing costs, etc.

Other operating income and expenses

Other operating income and expenses include accounting items of a secondary nature in relation to companies' main activities.

Staff costs

Staff costs include salaries, including holiday pay and pensions as well as other costs for social security, etc. to the company's employees. staff costs are deducted received allowances from public authorities.

Financial income and expenses

Financial income and expenses include interest income and expenses as well as supplements and compensation under the advance tax scheme, etc. Financial income and expenses are recognized with the amounts relating to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and a shift in deferred tax, is recognized in the income statement with the part attributable to the profit for the year, and directly on equity with the part that can be attributed to entries directly in equity.

BALANCE SHEET**Inventories**

Inventories are measured at cost according to the FIFO principle. In cases where the net realizable value is lower than the cost price, is written down to this lower value. Cost price for merchandise as well as raw materials and consumables is calculated as the acquisition price with the addition of reparation costs. The new realizable value of inventories is calculated as the selling price less completion costs and costs incurred to affect the sale and are determined undertaking account marketability, obsolescence, and development in expected sales price.

Receivables

Receivables are measured at amortized cost, which usually corresponds to nominal value. The value reduced by write-downs to meet expected losses.

Dividends

Dividends expected to be paid for the year are shown as a separate item under equity.

Tax due and deferred tax

Current tax liabilities and current tax receivables are recognized in the balance sheet as calculated tax on taxable income for the year adjusted for tax on previous years' taxable income as well as for paid taxes on account.

Deferred tax is measured by temporary differences between the carrying amounts of the assets and the varying amount of assets and obligations.

Deferred tax assets, including the tax value of the tax loss carryforwards, measured at the value at which the asset is expected to be realized, either by offsetting in tax of future earnings, or by set-off in deferred tax liabilities within the same legal tax entity.

Deferred tax is measured based on the tax rules and tax rates provided by the balance sheet date legislation will apply when the deferred tax is expected to be triggered as current tax. Change in deferred tax because of changes in tax rates are recognized in the income statement except for items that are entered directly on equity.

Liabilities

Debt is measured at amortized cost corresponding to nominal value.

Income statement 1 Jan 2019 - 31 Dec 2019

	Disclosure	2019 kr.	2018 kr.
Gross Result		1,040,510	587,909
Employee expense		-1,059,238	-500,841
Profit (loss) from ordinary operating activities		-18,728	87,068
Other finance expenses		-43,081	-29,404
Profit (loss) from ordinary activities before tax		-61,809	57,664
Tax expense		-8,637	-12,416
Profit (loss)		-70,446	45,248
Proposed distribution of results			
Retained earnings		-70,446	45,248
Proposed distribution of profit (loss)		-70,446	45,248

Balance sheet 31 December 2019

Assets

	Disclosure	2019	2018
		kr.	kr.
Manufactured goods and goods for resale		555,445	1,070,519
Inventories		555,445	1,070,519
Trade receivables		363,445	174,835
Other receivables		4,664	4,664
Receivables		368,109	179,499
Current assets		923,554	1,250,018
Total assets		923,554	1,250,018

Balance sheet 31 December 2019

Liabilities and equity

	Disclosure	2019 kr.	2018 kr.
Contributed capital		50,000	50,000
Retained earnings		-12,989	57,457
Total equity		37,011	107,457
Debt to banks		138,676	988,440
Trade payables		261,599	99,561
Payables to participating interests		246,657	0
Tax payables		8,637	12,416
Payables to vat and duties		172,577	0
Other payables, including tax payables, liabilities other than provisions		58,397	42,144
Short-term liabilities other than provisions, gross		886,543	1,142,561
Liabilities other than provisions, gross		886,543	1,142,561
Liabilities and equity, gross		923,554	1,250,018

Statement of changes in equity 1 Jan 2019 - 31 Dec 2019

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
	kr.	kr.	kr.	kr.
Equity, beginning balance	50,000	57,457	0	107,457
Dividend paid	0	0	0	0
Profit (Loss)	0	-70,446	0	-70,446
Equity, ending balance	50,000	-12,989	0	37,011

Disclosures

1. Additional information about activities

1. Additional information about activities

The company's main activity is to develop, produce and sell wireless sensors that measure relative humidity.

2. Information on average number of employees

	2019
Average number of employees	2