Deloitte
Statsautoriseret
Revisionspartnerselskab
CVR-nr. 33963556
Østre Havnepromenade 26, 4. sal
9000 Aalborg

Phone 98 79 60 00
Fax 98 79 60 01
www.deloitte.dk

Precision Global ApS
Lansen 13 B
9230 Svenstrup J
Business Registration No
38717723

Annual report 01.04.2018 - 31.03.2019

The Annual General Meeting adopted the annual report on 02.09.2019

Chairman of the General Meeting

____

Name: Jeppe Müller

Contents

Entity details

Entity
Precision Global ApS
Lansen 13 B
9230 Svenstrup J

Central Business Registration No (CVR): 38717723
Registered in: Aalborg
Financial year: 01.04.2018 - 31.03.2019

Executive Board
Jeppe Müller
Thomas Henrik Dresler Petersen

Auditors
Deloitte Statsautoriseret Revisionspartnerselskab
Østre Havnepromenade 26, 4. sal
9000 Aalborg

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Precision Global ApS for the financial year 01.04.2018 - 31.03.2019.

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 31.03.2019 and of the results of its operations for the financial year 01.04.2018 - 31.03.2019.

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.

Svenstrup, 02.09.2019

Executive Board

Jeppe Müller	Thomas Henrik Dresler Petersen

Independent auditor's extended review report

To the shareholders of Precision Global ApS

Conclusion

We have performed an extended review of the financial statements of Precision Global ApS for the financial year 01.04.2018 - 31.03.2019, 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.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.03.2019 and of the results of its operations for the financial year 01.04.2018 - 31.03.2019 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements". We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

Independent auditor's extended review report

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

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 extended review 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 the financial statements or our knowledge obtained in the extended review 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 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.

Aalborg, 02.09.2019

Deloitte
Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

René Winther Pedersen
State Authorised Public Accountant
Identification No (MNE) mne34173

Management commentary

Primary activities

The companys purpose is to own shares in other companies as well as other related companies in the opinion of the Executive Board.

Development in activities and finances

The result for the year before tax amounts to a loss of 6.014 t.DKK compared to a profit of 6.896 t.DKK last year. This is considered unsatisfactory. The result is negatively affected by impairment loss on inter-company accounts and losses in group entreprises.

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 2018/19

	Notes	2018/19 DKK	2017/18 DKK
Gross profit/loss		**1.193.951**	**(125.271)**
Staff costs	1	(1.191.850)	(942.298)
Depreciation, amortisation and impairment losses		(130)	0
Operating profit/loss		**1.971**	**(1.067.569)**
Income from investments in group enterprises		(1.203.141)	7.976.485
Other financial income	2	12.002	0
Other financial expenses	3	(4.824.374)	(13.009)
Profit/loss before tax		**(6.013.542)**	**6.895.907**
Tax on profit/loss for the year	4	(81.955)	216.484
Profit/loss for the year		**(6.095.497)**	**7.112.391**
Proposed distribution of profit/loss			
Retained earnings		(6.095.497)	7.112.391
		(6.095.497)	**7.112.391**

Balance sheet at 31.03.2019

	Notes	2018/19 DKK	2017/18 DKK
Other fixtures and fittings, tools and equipment		27.981	0
Property, plant and equipment	5	**27.981**	**0**
Investments in group enterprises		10.319.201	11.212.973
Fixed asset investments	6	**10.319.201**	**11.212.973**
Fixed assets		**10.347.182**	**11.212.973**
Receivables from group enterprises		0	7.693
Other receivables		800	13.371
Joint taxation contribution receivable		0	2.799.717
Receivables		**800**	**2.820.781**
Cash		**17.885**	**49.659**
Current assets		**18.685**	**2.870.440**
Assets		**10.365.867**	**14.083.413**

Balance sheet at 31.03.2019

	Notes	2018/19 DKK	2017/18 DKK
Contributed capital		50.000	50.000
Reserve for net revaluation according to the equity method		2.270.394	7.976.485
Retained earnings		1.347.041	1.722.381
Proposed dividend		0	600.000
Equity		**3.667.435**	**10.348.866**
Deferred tax		1.518	0
Provisions		**1.518**	**0**
Trade payables		90.860	15.000
Payables to group enterprises		6.311.869	1.094.765
Payables to shareholders and management		7.755	0
Income tax payable		242	2.583.233
Joint taxation contribution payable		116	0
Other payables		286.072	41.549
Current liabilities other than provisions		**6.696.914**	**3.734.547**
Liabilities other than provisions		**6.696.914**	**3.734.547**
Equity and liabilities		**10.365.867**	**14.083.413**
Contingent liabilities	7		

Statement of changes in equity for 2018/19

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK
Equity beginning of year	50.000	7.976.485	1.722.381
Ordinary dividend paid	0	0	0
Exchange rate adjustments	0	14.066	0
Transfer to reserves	0	(5.720.157)	5.720.157
Profit/loss for the year	0	0	(6.095.497)
Equity end of year	**50.000**	**2.270.394**	**1.347.041**

	Proposed dividend DKK	Total DKK
Equity beginning of year	600.000	10.348.866
Ordinary dividend paid	(600.000)	(600.000)
Exchange rate adjustments	0	14.066
Transfer to reserves	0	0
Profit/loss for the year	0	(6.095.497)
Equity end of year	**0**	**3.667.435**

Notes

	2018/19 DKK	2017/18 DKK
1. Staff costs		
Wages and salaries	1.078.864	854.100
Pension costs	108.000	85.500
Other social security costs	4.986	2.698
	1.191.850	**942.298**
Average number of employees	**1**	**1**

	2018/19 DKK	2017/18 DKK
2. Other financial income		
Financial income arising from group enterprises	12.002	0
	12.002	**0**

	2018/19 DKK	2017/18 DKK
3. Other financial expenses		
Financial expenses from group enterprises	4.813.873	12.988
Other interest expenses	10.261	21
Other financial expenses	240	0
	4.824.374	**13.009**

Financial expenses from group enterprises consists of impairment loss of 4.812 t.DKK on intercompany accounts.

	2018/19 DKK	2017/18 DKK
4. Tax on profit/loss for the year		
Current tax	358	0
Change in deferred tax	1.518	0
Adjustment concerning previous years	80.079	0
Refund in joint taxation arrangement	0	(216.484)
	81.955	**(216.484)**

Notes

	Other fixtures and fittings, tools and equipment DKK
5. Property, plant and equipment	
Additions	28.111
Cost end of year	**28.111**
Depreciation for the year	(130)
Depreciation and impairment losses end of year	**(130)**
Carrying amount end of year	**27.981**

	Invest-ments in group enterprises DKK
6. Fixed asset investments	
Cost beginning of year	3.236.488
Additions	7
Cost end of year	**3.236.495**
Revaluations beginning of year	7.976.485
Exchange rate adjustments	14.066
Share of profit/loss for the year	(1.203.141)
Dividend	(600.000)
Investments with negative equity value depreciated over receivables	895.296
Revaluations end of year	**7.082.706**
Carrying amount end of year	**10.319.201**

Notes

	Registered in	Corpo-rate form	Equity inte-rest %
Investments in group enterprises comprise:			
Precision Technic Defence A/S	Svenstrup	A/S	100,0
Precision Technic Defence GmbH	Hamborg	GmbH	100,0
Precision Technic Defence Pty Ltd	Applecross WA	Ltd	100,0
Precision Technic Defence Ltd	London	Ltd	100,0

7. Contingent liabilities

The Entity serves as the 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 for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend 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 report-ing class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Non-comparability
The annual report is not comparable to last year, as last financial year only includes a 9 months period.

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.

Business combinations
Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually.

The uniting-of-interests method is applied on acquisition of enterprises, where the enterprises concerned are controlled by the Parent. Under the uniting-of-interests method, the acquiree’s assets and liabilities are

Accounting policies

recognised at their carrying amounts, adjusted for any differences in accounting policies. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity. The comparative figures are restated.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue consists of group internal management fees. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses include expenses relating to the Entity’s ordinary activities etc.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises’ profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Accounting policies

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3 years

Estimated useful lives and residual values are reassessed annually. Residual values are valuated at 0 DKK.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

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

Accounting policies

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Cash
Cash comprises cash in bank deposits.

Dividend
Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

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

Income tax receivable or payable
Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Joint taxation contributions payable or receivable
Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.