

Biovac Danmark A/S

c/o Stefan Mogensen, Kringelholm 86
3250 Gilleleje

CVR no. 38 88 04 38

Annual report for 2023

(7th Financial year)

Adopted at the annual general meeting
on 31 January 2024

Petter Mellquist
chairman

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Statement by management on the annual report

The Board of Directors and executive board have today discussed and approved the annual report of Biovac Danmark A/S for the financial year 1 January - 31 December 2023.

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 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

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.

Gilleleje, 29 January 2024

Executive board

Petter Mellquist

Board of Directors

Petter Mellquist

Hilde Mariann Hakø-Hauger

Eskil Møllegaard

Anett Ingier Ottesen

Independent auditor's report

To the shareholder of Biovac Danmark A/S

Opinion

We have audited the financial statements of Biovac Danmark A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity 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 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 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 and IESBA Code. 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

We wish to note that the Company's ability to continue as a going concern is associated with material uncertainty. We refer to note 1 in the financial statements, which reflects uncertainty as to whether the company will be supported financially by the parent company. The parent company has issued a declaration of support and will stand down from third party payables, why the financial statements have been prepared on a going concern basis. We have not modified our opinion in respect of this matter.

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.

Independent auditor's report

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 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 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.

Independent auditor's report

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.

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.

Hellerup, 29 January 2024

CVR no. 33 25 68 76



Søren Jonassen
State Authorised Public Accountant
MNE no. mne18488

Company details

The company

Biovac Danmark A/S
c/o Stefan Mogensen, Kringelholm 86
3250 Gilleleje

CVR no.: 38 88 04 38

Reporting period: 1 January - 31 December 2023

Incorporated: 24 August 2017

Domicile: Gribskov

Board of Directors

Petter Mellquist
Hilde Mariann Hakø-Hauger
Eskil Møllegaard
Anett Ingier Ottesen

Executive board

Petter Mellquist

Auditors

Crowe
Statsautoriseret Revisionsinteressentskab v.m.b.a.
Rygårds Allé 104
2900 Hellerup

Management's review

Business review

Biovac Danmak A/S' purpose is marketing, sales as well servicing of Biovac Environmental Technology Norway A/S (BET) products in Denmark, the BET products palette is mainly products within wastewater treatment plants.

Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 85.844, and the balance sheet at 31 December 2023 shows negative equity of DKK 1.613.054.

The parent company has issued a letter of support and will stand down from third party payables until the company is self-supporting.

The company has lost its equity and is subject to the regulations in the Danish Companies Act.

It is the evaluation of the management that the equity can only be reestablished through debt forgiveness from the parent company.

Significant events occurring after the end of the financial year

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

Accounting policies

The annual report of Biovac Danmark A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to class B entities, as well as provisions applying to reporting class C entities.

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

The annual report for 2023 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 installments 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 and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Accounting policies

Expenses for raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external costs

Other external costs include expenses related to administration.

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 and allowances under the advance-payment-of-tax scheme, etc.

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.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

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.

Accounting policies

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 is measured at net realisable value.

Liabilities

Liabilities 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 instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Income statement
1 January 2023 - 31 December 2023

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Gross profit		-93.794	-29.840
Financial income		27.886	55.805
Financial costs	2	<u>-19.936</u>	<u>-51.171</u>
Profit/loss before tax		-85.844	-25.206
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
Profit/loss for the year		<u>-85.844</u>	<u>-25.206</u>
 Recommended appropriation of profit/loss			
Retained earnings		<u>-85.844</u>	<u>-25.206</u>
		<u>-85.844</u>	<u>-25.206</u>

Balance sheet at 31 December 2023

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Assets			
Finished goods and goods for resale		0	68.475
Stocks		<u>0</u>	<u>68.475</u>
Other receivables		598	0
Prepayments		0	1.867
Receivables		<u>598</u>	<u>1.867</u>
Cash at bank and in hand		<u>112.868</u>	<u>137.717</u>
Total current assets		<u>113.466</u>	<u>208.059</u>
Total assets		<u><u>113.466</u></u>	<u><u>208.059</u></u>

Balance sheet at 31 December 2023

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Equity and liabilities			
Share capital		500.000	500.000
Retained earnings		-2.113.054	-2.027.210
Equity		<u>-1.613.054</u>	<u>-1.527.210</u>
Payables to group companies		<u>1.301.850</u>	<u>1.288.960</u>
Total non-current liabilities		<u>1.301.850</u>	<u>1.288.960</u>
Trade payables		19.999	5.826
Payables to group companies		404.671	438.556
Other payables		<u>0</u>	<u>1.927</u>
Total current liabilities		<u>424.670</u>	<u>446.309</u>
Total liabilities		<u>1.726.520</u>	<u>1.735.269</u>
Total equity and liabilities		<u>113.466</u>	<u>208.059</u>
Uncertainty about the continued operation (going concern)	1		
Contingent liabilities	3		
Mortgages and collateral	4		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2023	500.000	-2.027.210	-1.527.210
Net profit/loss for the year	0	-85.844	-85.844
Equity at 31 December 2023	<u>500.000</u>	<u>-2.113.054</u>	<u>-1.613.054</u>

Notes

1 Uncertainty about the continued operation (going concern)

It is a prerequisite for going concern that the company is financially supported by the parent company. In addition it may be necessary for the parent company to stand down from third party payables. The parent company has issued a declaration in support of this.

2 Financial costs

Interest to group companies	0	12.762
Other financial costs	<u>19.936</u>	<u>38.409</u>
	<u>19.936</u>	<u>51.171</u>

3 Contingent liabilities

None.

4 Mortgages and collateral

None.