

Shoreline ApS

Torskekaj 1
6700 Esbjerg
Business Registration No
39083930

Annual report 13.11.2017 - 31.12.2018

The Annual General Meeting adopted the annual report on 13.05.2019

Chairman of the General Meeting

Name: Michael Friis Bjerrum

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Income statement for 2017/18	7
Balance sheet at 31.12.2018	8
Statement of changes in equity for 2017/18	10
Notes	11
Accounting policies	14

Entity details

Entity

Shoreline ApS

Torskekaj 1

6700 Esbjerg

Central Business Registration No (CVR): 39083930

Registered in: Esbjerg

Financial year: 13.11.2017 - 31.12.2018

Board of Directors

Ole-Erik Vestøl Endrerud

Executive Board

Michael Friis Bjerrum

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Dokken 8

Postbox 200

6701 Esbjerg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Shoreline ApS for the financial year 13.11.2017 - 31.12.2018.

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 31.12.2018 and of the results of its operations for the financial year 13.11.2017 - 31.12.2018.

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.

Esbjerg, 10.05.2019

Executive Board

Michael Friis Bjerrum

Board of Directors

Ole-Erik Vestøl Endrerud

Independent auditor's report

To the shareholders of Shoreline ApS

Opinion

We have audited the financial statements of Shoreline ApS for the financial year 13.11.2017 - 31.12.2018, 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 31.12.2018 and of the results of its operations for the financial year 13.11.2017 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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.

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, 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.

Independent auditor's report

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.

Independent auditor's report

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 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.

Esbjerg, 10.05.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

John Lindvig Christiansen
State Authorised Public Accountant
Identification No (MNE) mne26846

Management commentary

Primary activities

The object of the company is development and sales of integrated simulation solutions for construction, operation and maintenance of industrial plants.

Development in activities and finances

The result of the year is a profit on 348 t.DKK.

The management see the result as satisfying.

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 2017/18

	<u>Notes</u>	<u>2017/18</u> <u>DKK</u>
Gross profit		6,243,555
Staff costs	1	(5,755,617)
Depreciation, amortisation and impairment losses	2	<u>(63,117)</u>
Operating profit/loss		424,821
Other financial expenses	3	<u>(6,473)</u>
Profit/loss before tax		418,348
Tax on profit/loss for the year	4	<u>(70,432)</u>
Profit/loss for the year		<u>347,916</u>
Proposed distribution of profit/loss		
Retained earnings		<u>347,916</u>
		<u>347,916</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2017/18</u> <u>DKK</u>
Acquired intangible assets		278,919
Intangible assets	5	278,919
Other fixtures and fittings, tools and equipment		69,468
Property, plant and equipment	6	69,468
Deposits		28,950
Fixed asset investments	7	28,950
Fixed assets		377,337
Receivables from group enterprises		1,225,436
Other receivables		145,589
Receivables		1,371,025
Cash		87,877
Current assets		1,458,902
Assets		1,836,239

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2017/18</u> <u>DKK</u>
Contributed capital		50,000
Retained earnings		<u>347,916</u>
Equity		<u>397,916</u>
Deferred tax		<u>1,000</u>
Provisions		<u>1,000</u>
Payables to group enterprises		<u>228,105</u>
Non-current liabilities other than provisions		<u>228,105</u>
Bank loans		44,095
Trade payables		68,817
Income tax payable		69,432
Other payables	8	<u>1,026,874</u>
Current liabilities other than provisions		<u>1,209,218</u>
Liabilities other than provisions		<u>1,437,323</u>
Equity and liabilities		<u>1,836,239</u>
Unrecognised rental and lease commitments	9	

Statement of changes in equity for 2017/18

	Contributed capital DKK	Retained earnings DKK	Total DKK
Contributed upon formation	50,000	0	50,000
Profit/loss for the year	0	347,916	347,916
Equity end of year	50,000	347,916	397,916

Notes

	2017/18
	DKK
	<hr/>
1. Staff costs	
Wages and salaries	5,066,774
Pension costs	224,862
Other social security costs	133,776
Other staff costs	330,205
	<hr/> 5,755,617
Average number of employees	<hr/> 9
	2017/18
	DKK
	<hr/>
2. Depreciation, amortisation and impairment losses	
Amortisation of intangible assets	48,824
Depreciation of property, plant and equipment	14,293
	<hr/> 63,117
	2017/18
	DKK
	<hr/>
3. Other financial expenses	
Financial expenses from group enterprises	4,605
Other interest expenses	1,307
Exchange rate adjustments	561
	<hr/> 6,473
	2017/18
	DKK
	<hr/>
4. Tax on profit/loss for the year	
Current tax	69,432
Change in deferred tax	1,000
	<hr/> 70,432

Notes

	Acquired intangible assets DKK
	<u>DKK</u>
5. Intangible assets	
Additions	<u>327,743</u>
Cost end of year	<u>327,743</u>
Amortisation for the year	<u>(48,824)</u>
Amortisation and impairment losses end of year	<u>(48,824)</u>
Carrying amount end of year	<u>278,919</u>
	Other fixtures and fittings, tools and equipment DKK
	<u>DKK</u>
6. Property, plant and equipment	
Additions	<u>83,761</u>
Cost end of year	<u>83,761</u>
Depreciation for the year	<u>(14,293)</u>
Depreciation and impairment losses end of year	<u>(14,293)</u>
Carrying amount end of year	<u>69,468</u>
	Deposits DKK
	<u>DKK</u>
7. Fixed asset investments	
Additions	<u>28,950</u>
Cost end of year	<u>28,950</u>
Carrying amount end of year	<u>28,950</u>

Notes

	2017/18
	<u>DKK</u>
8. Other payables	
Wages and salaries, personal income taxes, social security costs, etc payable	490,018
Holiday pay obligation	511,856
Other costs payable	<u>25,000</u>
	<u>1,026,874</u>
	2017/18
	<u>DKK</u>
9. Unrecognised rental and lease commitments	
Liabilities under rental or lease agreements until maturity in total	<u>480,000</u>

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.

It is the company's first fiscal year, and the accounting policies applied to these financial statements are as mentioned below:

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

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, including expenses for premises, stationery and office supplies, marketing costs, 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.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise acquired intellectual property rights and prepayments for intangible assets.

Accounting policies

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

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.

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	3-5 years
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Estimated useful lives and residual values are reassessed annually.

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

Receivables

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

Cash

Cash comprises cash in hand and bank deposits.

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. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

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

Accounting policies

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.