

Branach Europe A/S

Morsøgade 4
6700 Esbjerg
Business Registration No
39174847

Annual report 18.12.2017 - 31.12.2018

The Annual General Meeting adopted the annual report on 24.05.2019

Chairman of the General Meeting

Name: Peter Allan Skou

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Entity details

Entity

Branach Europe A/S
Morsøgade 4
6700 Esbjerg

Central Business Registration No (CVR): 39174847
Registered in: Esbjerg
Financial year: 18.12.2017 - 31.12.2018

Board of Directors

Michael Patrick Walsh
Peter Allan Skou
Seamus Anthony Power

Executive Board

Peter Allan Skou

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 Branach Europe A/S for the financial year 18.12.2017 - 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 18.12.2017 - 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, 24.05.2019

Executive Board

Peter Allan Skou

Board of Directors

Michael Patrick Walsh

Peter Allan Skou

Seamus Anthony Power

Independent auditor's extended review report

To the shareholders of Branach Europe A/S

Conclusion

We have performed an extended review of the financial statements of Branach Europe A/S for the financial year 18.12.2017 - 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.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 18.12.2017 - 31.12.2018 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.

Esbjerg, 24.05.2019

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556

Peder Rene Pedersen

State Authorised Public Accountant

Identification No (MNE) mne23334

Management commentary

Primary activities

The purpose of the company is trade with security rises, platforms and fall protection gear as well personalized safeguard equipment. Import and export of such goods. Training and education within the same product areas. Consultant and advice on fall protection and work in height as well as related business.

Development in activities and finances

Loss for the year is 2.075 t.kr. which is unsatisfactory.

No comparative figures are available due to company establishment on December 18, 2017.

Outlook

The company is covered by the Danish Private Companies Act, concerning capital loss. The capital is expected to be reestablished by earnings in the years to come. The parent company and main creditor, Branach Technology PTY Ltd., has confirmed that they will continue to support the company financially so that the company can continue operations in the coming year.

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/loss		(1.170.477)
Staff costs	1	(957.828)
Depreciation, amortisation and impairment losses		<u>(600)</u>
Operating profit/loss		(2.128.905)
Other financial income		55.383
Other financial expenses		<u>(1.426)</u>
Profit/loss for the year		<u>(2.074.948)</u>
Proposed distribution of profit/loss		
Retained earnings		<u>(2.074.948)</u>
		<u>(2.074.948)</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2017/18 DKK</u>
Leasehold improvements		5.400
Property, plant and equipment		5.400
 Fixed assets		 5.400
 Manufactured goods and goods for resale		786.680
Inventories		786.680
 Trade receivables		165.402
Other receivables		165.337
Prepayments		73.112
Receivables		403.851
 Cash		 538.419
 Current assets		 1.728.950
 Assets		 1.734.350

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2017/18</u> <u>DKK</u>
Contributed capital		500.000
Retained earnings		<u>(2.074.948)</u>
Equity		<u>(1.574.948)</u>
Bank loans		250
Trade payables		30.773
Payables to group enterprises		3.064.198
Other payables		<u>214.077</u>
Current liabilities other than provisions		<u>3.309.298</u>
Liabilities other than provisions		<u>3.309.298</u>
Equity and liabilities		<u>1.734.350</u>

Statement of changes in equity for 2017/18

	Contributed capital DKK	Retained earnings DKK	Total DKK
Contributed upon formation	500.000	0	500.000
Profit/loss for the year	0	(2.074.948)	(2.074.948)
Equity end of year	500.000	(2.074.948)	(1.574.948)

Notes

	2017/18
	DKK
1. Staff costs	
Wages and salaries	915.358
Pension costs	39.062
Other social security costs	3.408
	957.828
 Average number of employees	 1

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.

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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. 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.

Accounting policies

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

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. This item also includes writedowns of receivables recognised in current assets.

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

Other financial income

Other financial income comprises payables and transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses, including tax surcharge under the Danish Tax Prepayment Scheme etc.

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.

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	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.

Accounting policies

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Other financial liabilities

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