



## Domisphere ApS

Ole Maaløes Vej 5  
2200 Copenhagen N  
CVR No. 39274655

## Annual report 2019

The Annual General Meeting adopted the  
annual report on 16.09.2020

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**Lars Nannerup**

Chairman of the General Meeting

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# Entity details

## Entity

Domisphere ApS  
Ole Maaløes Vej 5  
2200 Copenhagen N

CVR No.: 39274655  
Registered office: Copenhagen  
Financial year: 01.01.2019 - 31.12.2019

## Board of Directors

Lars Nygaard Jepsen  
Marco Brunazzo  
Lars Nannerup

## Executive Board

Lars Nygaard Jepsen, General Manager

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
P. O. Box 1600  
0900 Copenhagen C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Domisphere ApS for the financial year 01.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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.

Copenhagen, 16.09.2020

## Executive Board

**Lars Nygaard Jepsen**  
General Manager

## Board of Directors

**Lars Nygaard Jepsen**

**Marco Brunazzo**

**Lars Nannerup**

# Independent auditor's report

## To the shareholders of Domisphere ApS

### Opinion

We have audited the financial statements of Domisphere ApS for the financial year 01.01.2019 - 31.12.2019, 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.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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.

### Material uncertainty related to going concern

Group Management in the Infuser Holding Group is in dialogue with potential investors and is confident that an agreement on further capital injection and/or loan financing will be reached shortly.

No agreement has been finalized at the reporting date. As mentioned in note 1, the Group and its subsidiaries are dependent on further financing, thus there is material uncertainty related to the company's and the Group's ability to continue as a going concern

We have not modified our opinion in this respect.

### Emphasis of matter regarding circumstances in the financial statements

There is material uncertainty regarding the measurement of the company's completed development projects, acquired patents and receivables from group enterprises. For further description, reference is made to note 2.

### 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.

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.

### **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.

Copenhagen, 16.09.2020

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Henrik Wolff Mikkelsen**

State Authorised Public Accountant  
Identification No (MNE) mne33747

**Mads Juul Hansen**

State Authorised Public Accountant  
Identification No (MNE) mne44386

# Management commentary

## Primary activities

The company's main activities are to develop, promote and sell environmental friendly air purification technologies.

## Development in activities and finances

The loss of the year amounts DKK (2,959)k. The total assets are DKK 30,220k and the equity is DKK 25,436k.

## Events after the balance sheet date

Although the outbreak of coronavirus has impacted the company's supply-chain processes due to travel restrictions, the pandemic has conversely led to an increased interested in the company's product from different market and client segments. The management expects that the crisis will be instrumental in generating a positive effect on the launch of the company's new product solution towards the end of 2020.

The management is in dialogue with investors and expects injection of new capital before the end of 2020. This capital injection will ensure both the capital structure of the company and secure cash flow needs to roll out the company's business plan.

No events other than above have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.



# Income statement for 2019

	Notes	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>(775,471)</b>	<b>(2,467,396)</b>
Staff costs	3	(2,842,133)	(1,176,708)
Depreciation, amortisation and impairment losses	4	(171,806)	(10,852)
<b>Operating profit/loss</b>		<b>(3,789,410)</b>	<b>(3,654,956)</b>
Other financial income	5	227,296	0
Other financial expenses	6	(36,759)	(87,034)
<b>Profit/loss before tax</b>		<b>(3,598,873)</b>	<b>(3,741,990)</b>
Tax on profit/loss for the year	7	639,481	1,034,854
<b>Profit/loss for the year</b>		<b>(2,959,392)</b>	<b>(2,707,136)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		(2,959,392)	(2,707,136)
<b>Proposed distribution of profit and loss</b>		<b>(2,959,392)</b>	<b>(2,707,136)</b>

# Balance sheet at 31.12.2019

## Assets

	Notes	2019 DKK	2018 DKK
Acquired patents		117,632	109,634
Development projects in progress	9	18,388,742	5,927,467
<b>Intangible assets</b>	<b>8</b>	<b>18,506,374</b>	<b>6,037,101</b>
Other fixtures and fittings, tools and equipment		605,317	640,252
<b>Property, plant and equipment</b>	<b>10</b>	<b>605,317</b>	<b>640,252</b>
Deposits		75,000	0
<b>Other financial assets</b>	<b>11</b>	<b>75,000</b>	<b>0</b>
<b>Fixed assets</b>		<b>19,186,691</b>	<b>6,677,353</b>
Receivables from group enterprises		4,841,347	2,310,674
Other receivables		1,303,090	1,023,364
Income tax receivable		2,627,416	1,034,957
Prepayments		1,340,604	2,439,479
<b>Receivables</b>		<b>10,112,457</b>	<b>6,808,474</b>
<b>Cash</b>		<b>920,781</b>	<b>15,832,946</b>
<b>Current assets</b>		<b>11,033,238</b>	<b>22,641,420</b>
<b>Assets</b>		<b>30,219,929</b>	<b>29,318,773</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019 DKK</b>	<b>2018 DKK</b>
Contributed capital		69,444	69,444
Reserve for development expenditure		14,343,219	4,623,424
Retained earnings		11,023,699	23,702,886
<b>Equity</b>		<b>25,436,362</b>	<b>28,395,754</b>
Deferred tax		2,102,000	0
<b>Provisions</b>		<b>2,102,000</b>	<b>0</b>
Other payables		131,426	0
<b>Non-current liabilities other than provisions</b>	12	<b>131,426</b>	<b>0</b>
Trade payables		2,108,249	571,317
Payables to group enterprises		0	29,847
Other payables		441,892	321,855
<b>Current liabilities other than provisions</b>		<b>2,550,141</b>	<b>923,019</b>
<b>Liabilities other than provisions</b>		<b>2,681,567</b>	<b>923,019</b>
<b>Equity and liabilities</b>		<b>30,219,929</b>	<b>29,318,773</b>
Going concern	1		
Uncertainty relating to recognition and measurement	2		
Unrecognised rental and lease commitments	13		
Contingent liabilities	14		

# Statement of changes in equity for 2019

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	69,444	4,623,424	23,702,886	28,395,754
Transfer to reserves	0	9,719,795	(9,719,795)	0
Profit/loss for the year	0	0	(2,959,392)	(2,959,392)
<b>Equity end of year</b>	<b>69,444</b>	<b>14,343,219</b>	<b>11,023,699</b>	<b>25,436,362</b>

# Notes

## 1 Going concern

The Management is aware of the company's capital resources. Management is close to finalizing an agreement with potential new investors securing a significant capital injection, that will ensure both the capital structure as well as the cash flow needs for 2020.

As no final agreement has currently been signed, there is uncertainty related to the company's ability to continue as a going concern. Management is confident that the necessary financing will be obtained and has therefore prepared the Annual report in accordance with the going concern assumption.

## 2 Uncertainty relating to recognition and measurement

The repayment of the Company's receivables from group enterprises depends on these group enterprises' ability to continue as going concerns. As material uncertainty is related to this fact, the valuation of the receivables in Infuser ApS and Infuser Holding ApS is affected by the same uncertainty. Management expects that the receivables will be settled at the value recognised in the financial statements.

## 3 Staff costs

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	2,707,799	1,172,448
Pension costs	111,456	4,260
Other social security costs	19,714	0
Other staff costs	3,164	0
	<b>2,842,133</b>	<b>1,176,708</b>
Average number of full-time employees	<b>4</b>	<b>1</b>

## 4 Depreciation, amortisation and impairment losses

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Amortisation of intangible assets	39,970	0
Depreciation of property, plant and equipment	131,836	10,852
	<b>171,806</b>	<b>10,852</b>

## 5 Other financial income

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	226,848	0
Exchange rate adjustments	448	0
	<b>227,296</b>	<b>0</b>

## 6 Other financial expenses

	2019 DKK	2018 DKK
Other interest expenses	36,759	84,930
Exchange rate adjustments	0	2,104
	<b>36,759</b>	<b>87,034</b>

## 7 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	(2,741,481)	(1,034,854)
Change in deferred tax	2,102,000	0
	<b>(639,481)</b>	<b>(1,034,854)</b>

## 8 Intangible assets

	Acquired patents DKK	Development projects in progress DKK
Cost beginning of year	109,634	5,927,467
Additions	47,968	12,461,275
<b>Cost end of year</b>	<b>157,602</b>	<b>18,388,742</b>
Impairment losses for the year	(39,970)	0
<b>Amortisation and impairment losses end of year</b>	<b>(39,970)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>117,632</b>	<b>18,388,742</b>

## 9 Development projects

Development projects in progress consist of project relating to new products that the company is developing within the air pollution industry. The capitalized development costs consists of material costs and direct staff costs etc., which is handled and recorded in the company's internal project module.

The value of development projects in progress at 31 December 2019 amounts to 18,389 t.DKK. The development projects are expected to be finished during 2020.

The development projects is by Management expected to grant competitive advantages when they are finished.

## 10 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>
Cost beginning of year	651,104
Additions	96,901
<b>Cost end of year</b>	<b>748,005</b>
Depreciation and impairment losses beginning of year	(10,852)
Depreciation for the year	(131,836)
<b>Depreciation and impairment losses end of year</b>	<b>(142,688)</b>
<b>Carrying amount end of year</b>	<b>605,317</b>

## 11 Financial assets

	<b>Deposits DKK</b>
Additions	75,000
<b>Cost end of year</b>	<b>75,000</b>
<b>Carrying amount end of year</b>	<b>75,000</b>

## 12 Non-current liabilities other than provisions

	<b>Due after more than 12 months 2019 DKK</b>	<b>Outstanding after 5 years 2019 DKK</b>
Other payables	131,426	131,426
	<b>131,426</b>	<b>131,426</b>

## 13 Unrecognised rental and lease commitments

	<b>2019 DKK</b>	<b>2018 DKK</b>
Liabilities under rental agreements or leases with group enterprises until expiry	<b>60,764</b>	<b>52,136</b>

**14 Contingent liabilities**

The Entity participates in a Danish joint taxation arrangement where Infuser Holding ApS serves as the administration company. 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 the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.



# 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.

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

## 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, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are classified directly as equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

## **Income statement**

### **Gross profit or loss**

Gross profit or loss comprises external expenses.

### **Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, etc.

### **Staff costs**

Staff costs comprise salaries and wages, and 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, and gains and losses from the sale of intangible assets and property, plant and equipment.

### **Other financial income**

Other financial income comprises interest income, including interest income on receivables from group enterprises, and 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, and 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.

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**

### **Intellectual property rights etc**

Intellectual property rights etc comprise development projects in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling

the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis 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. Land is not depreciated.

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.

### **Receivables**

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

### **Income tax payable or receivable**

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

### **Prepayments**

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

### **Cash**

Cash comprises 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.

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.