

E-FLOW HOLDING APS
Staktoften 16
2950 Vedbæk

Annual report for 2018

Adopted at the annual general meeting on
20 May 2019

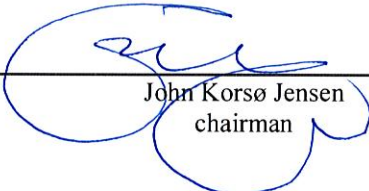

John Korsø Jensen
chairman

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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory and executive boards have today discussed and approved the annual report of E-flow Holding ApS for the financial year 11 May - 31 December 2018.

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 2018 and of the results of the company's operations for the financial year 11 May - 31 December 2018.

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.

Vedbæk, 20 May 2019

Executive board

Jesper Bernhoft
director

Supervisory board


John Korsø Jensen
chairman


Vivi Annette Andersen


Jesper Bernhoft

INDEPENDENT AUDITOR'S REPORT

To the shareholder of E-flow Holding ApS

Opinion

We have audited the financial statements of E-flow Holding ApS for the financial year 30 April - 31 December 2018, which comprise a summary of significant accounting policies, income statement, balance sheet 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 2018 and of the results of the company's operations for the financial year 30 April - 31 December 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 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. 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 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.

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 judgment and maintain professional skepticism throughout the audit. We also:

INDEPENDENT AUDITOR'S REPORT

- 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.

Copenhagen, 20 May 2019

MAZARS

Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41



Kim Christensen
Statsautoriseret revisor
State-authorized public accountant
MNE no. mne26824

COMPANY DETAILS

The company	E-flow Holding ApS Staktoften 16 2950 Vedbæk
	CVR no.: 39 56 13 44
	Reporting period: 30 April - 31 December 2018
	Domicile: Trørød
Supervisory board	John Korsø Jensen, chairman Vivi Annette Andersen Jesper Bernhoft
Executive board	Jesper Bernhoft, director
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Østerfælled Torv 10, 2. sal 2100 København Ø

MANAGEMENT'S REVIEW

Business activities

The Company's activity is developing and marketing solutions within the residential air con industry.

Business review

The company's income statement for the year ended 31 December shows a loss of DKK 2.485.875, and the balance sheet at 31 December 2018 shows negative equity of DKK 2.360.875.

Significant events occurring after end of reporting period

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

ACCOUNTING POLICIES

The annual report of E-flow Holding ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities as well as selected provisions as regards larger entities.

The annual report for 2018 is presented in DKK

As 2018 is the company's first reporting period, no comparatives have been presented.

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 instalments 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, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

ACCOUNTING POLICIES

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

Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method.

Investments in subsidiaries and associates with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries and associates are taken to the net revaluation reserve according to the equity method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of E-flow Holding ApS is adopted are not taken to the net revaluation reserve.

Acquisitions are accounted for using the purchase method, cf. the above description of the statement of goodwill.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

INCOME STATEMENT 30 APRIL - 31 DECEMBER

	<u>Note</u>	<u>2018</u> <u>DKK</u>
Gross profit		-41.000
Income from investments in subsidiaries		<u>-2.444.875</u>
Profit/loss before tax		-2.485.875
Tax on profit/loss for the year		<u>0</u>
Profit/loss for the year		<u>-2.485.875</u>
Retained earnings		<u>-2.485.875</u>
		<u>-2.485.875</u>

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2018</u> DKK
ASSETS		
Investments in subsidiaries	1	<u>0</u>
Total assets		<u><u>0</u></u>

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2018</u> DKK
EQUITY AND LIABILITIES		
Share capital		100.000
Retained earnings		<u>-2.460.875</u>
Equity	2	<u>-2.360.875</u>
Provisions relating to investments in group entities		<u>2.319.875</u>
Total provisions		<u>2.319.875</u>
Trade payables		<u>41.000</u>
Total current liabilities		<u>41.000</u>
Total liabilities		<u>41.000</u>
Total equity and liabilities		<u><u>0</u></u>
Contingencies, etc.	3	

NOTES

	<u>2018</u> DKK
1 INVESTMENTS IN SUBSIDIARIES	
Cost at 30 April 2018	0
Additions for the year	<u>125.000</u>
Cost at 31 December 2018	<u>125.000</u>
Revaluations at 30 April 2018	0
Exchange adjustment	69.011
Net profit/loss for the year	-2.513.886
Equity investments with negative net asset value transferred to provisions	<u>2.319.875</u>
Revaluations at 31 December 2018	<u>-125.000</u>
Carrying amount at 31 December 2018	<u><u>0</u></u>

NOTES

2 EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 30 April 2018	100.000	25.000	125.000
Net profit/loss for the year	0	-2.485.875	-2.485.875
Equity at 31 December 2018	<u>100.000</u>	<u>-2.460.875</u>	<u>-2.360.875</u>

3 CONTINGENCIES, ETC.

The company is jointly taxed with its danish group entities. The entities are jointly and severally liable for danish income taxes as well as withholding taxes on dividends, interest and royalties payable by the group of jointly taxed entities. Any subsequent corrections of income taxes and withholding taxes may increase the tax payable by the entities. The group as such is not liable to any third parties.

The company has no contingent liabilities.