

Axxsys Danmark ApS

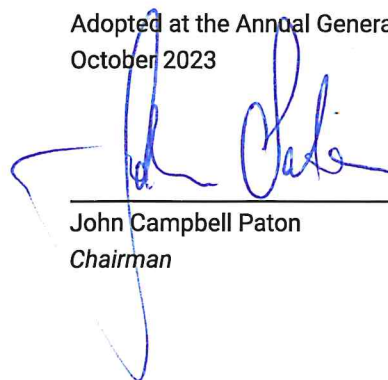
Flæsketorvet 68
1711 København V

CVR No. 40121757

Annual report 2022/23

1 April 2022 - 31 March 2023

Adopted at the Annual General Meeting on 18
October 2023



John Campbell Paton
Chairman

Contents

Company details	1
Management's Review	2
Statement by Management	3
Independent auditor's report	4
Accounting policies	6
Income statement	10
Proposed distribution of profit and loss	10
Assets	11
Equity and liabilities	12
Statement of changes in equity	13
Notes	14

Company details

Company

Axxsys Danmark ApS
Flæsketorvet 68
1711 København V

CVR No.: 40121757

Executive board

John Campbell Paton

Auditors

inforevision
statsautoriseret revisionsaktieselskab
Buddingevej 312
2860 Søborg
CVR No. 19263096

Sten Pedersen, state authorised public accountant

Management's Review

Primary activities

Axxsys Danmark ApS's primary activities is consulting service.

Development in activities and finances

The results of the company's activities in the financial year amounted to a profit/loss of DKK -4.143.685 against DKK 3.781.583 in last financial year. The equity at the balance sheet date amounted to DKK 1.264.672.

Statement by Management

The Executive Board have today considered and adopted the annual report for 1 April 2022 - 31 March 2023 for Axxsys Danmark ApS.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the the company's financial position at 31 March 2023 and of the results of its operations for the financial year 1 April 2022 - 31 March 2023.

I believe that the Management's review contains a fair review of the affairs and conditions referred to therein.

I recommend that the annual report be adopted at the Annual General Meeting.

København V, 18 October 2023

Executive board



John Campbell Paton
Executive director

Independent auditor's report

To the shareholder in Axxsys Danmark ApS

Opinion

We have audited the financial statements of Axxsys Danmark ApS for the financial year 1 April 2022 - 31 March 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 as at 31 March 2023 and of the results of the company's operations for the financial year 1 April 2022 - 31 March 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 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 company 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 and IESBA Code. 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 company'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 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 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.

Independent auditor's report, continued

- 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 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 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 Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

Søborg, 18 October 2023

inforevision
Statsautoriseret revisionsaktieselskab
CVR No. 19263096



Sten Pedersen
State Authorised Public Accountant
mne23408

Accounting policies

Information on reporting class

The annual report has been prepared in accordance with Danish financial statement legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing Reporting class B.

Some provisions from reporting class C has been adopted.

The accounting policies have not been changed from last year.

Generally regarding recognition and measurement

The financial statements have been prepared based on historical cost.

The income is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the annual report which confirm or invalidate affairs and conditions existing at the balance sheet date.

The functional currency is Danish Kroner. All other currencies are considered foreign currencies.

Foreign currency translation

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses.

Accounting policies, continued

Income statement

The income statement has been classified by nature.

Gross profit

Gross profit/loss includes "Revenue" and "External expenses".

Revenue

As income recognition criterion, the completed contract method is applied so that revenue comprises invoiced revenue for the year. 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 before the end of the financial year. Revenue is measured at fair value excl. VAT and less granted goods and customer discounts.

External expenses

External expenses comprises Selling costs, Cost of premises and Administrative expenses.

Staff costs

Staff costs include wages and salaries including holiday pay and pensions and other social security costs etc. to the company's employees.

Financial expenses

Financial expenses is recognised with amounts concerning the the financial year. Financial expenses comprise interest, realised and unrealised exchange losses, realised and unrealised losses on sale of other securities and investments, amortised interest on lease commitments, amortisation of debt to mortgage credit institutions as well as interest surcharge under the Danish Tax Prepayment Scheme.

Tax on profit or loss for the year

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax. Changes in deferred taxes due to adjustments of tax rates is recognised in the income statement.

Tax on profit or loss for the year is recognised in the income statement by the portion attributable to the profit or loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

Accounting policies, continued

Balance sheet

The balance sheet has been presented in account form.

Assets

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulate depreciation. The basis of depreciation is cost less estimated residual value after the end of useful life.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

The costprice for an asset is divided into separate components, that are depreciated separately, if the useful life of the individual components is significantly different.

Depreciation is initiated when the assets are ready to be taken into operation. Assets are depreciated on a straight-line basis over their estimated useful lives with following residual values:

Category	Period	Residual value
Fixtures, fittings, tools and equipment	3 - 8 years	0%

Minor purchases with useful lives below one year have been recognised as an expense in the income statement in external expenses.

Profit/loss on sale or retirement has been included in the income statement under gross profit or loss and other operating expenses.

The carrying amounts of property, plant and equipment are reviewed annually for indication of impairment for losses, apart from what is expressed by usual depreciation. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount. As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the expected cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognised in the income statement as amortisation, depreciation and impairment for loss of property, plant and equipment and intangible assets.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Accounting policies, continued

Equity and liabilities

Equity

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax and corporation tax

Deferred tax is measured using the balance sheet liability method. Provision has been made for deferred tax by 22% on all temporary differences between carrying amount and tax-based value of assets and liabilities. Deferred tax is also measured with respect of the planned use of the asset and the settlement of the liability.

The tax value of the tax losses to be carried forward are included in the calculation of deferred taxes if it is probable that the losses can be used. Deferred tax assets are measured at net realisable value.

Deferred tax assets which are not expected utilised within a few years have been disclosed in notes under contingent assets.

Corporation tax relating to the the financial year which has not been settled at the balance sheet date is classified as corporation tax in receivables or liabilities other than provisions.

Financial debts

Short-term debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprise income received relating to subsequent financial years.

Income statement

	Note	2022/23	2021/22
		DKK	DKK
Gross profit		13,160,330	22,705,516
Staff costs	1	-16,697,698	-17,864,426
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		-3,537,368	4,841,090
Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets	2	-84,258	-56,862
Earnings before interest and taxes (EBIT)		-3,621,626	4,784,228
Finance expenses		-522,059	116,186
Profit/loss before tax		-4,143,685	4,900,414
Tax on profit/loss for the year	3	0	-1,118,831
Profit/loss for the year		<u>-4,143,685</u>	<u>3,781,583</u>

Proposed distribution of profit and loss

	2022/23	2021/22
	DKK	DKK
Proposed distribution of profit and loss for the year :		
Proposed dividends for the financial year	0	18,000,000
Transferred to retained earnings	-4,143,685	-14,218,417
Profit/loss for the year	<u>-4,143,685</u>	<u>3,781,583</u>

Assets

	<u>Note</u>	<u>31/03-2023</u>	<u>31/03-2022</u>
		DKK	DKK
Fixtures, fittings, tools and equipment		131,134	181,218
Property, plant and equipment	4	<u>131,134</u>	<u>181,218</u>
Fixed assets		<u>131,134</u>	<u>181,218</u>
Trade receivables		1,803,826	2,846,843
Receivables from group enterprises		22,389,837	21,585,960
Other receivables		48,000	64,317
Corporation tax receivables	3	1,387,981	0
Prepayments		0	31,832
Receivables		<u>25,629,644</u>	<u>24,528,952</u>
Cash at bank and in hand		<u>1,807,288</u>	<u>4,973,292</u>
Current assets		<u>27,436,932</u>	<u>29,502,244</u>
Total assets		<u><u>27,568,066</u></u>	<u><u>29,683,462</u></u>

Equity and liabilities

	Note	31/03-2023	31/03-2022
		DKK	DKK
Contributed capital		50,000	50,000
Retained earnings		1,214,672	5,358,357
Proposed dividend recognised in equity		0	18,000,000
Equity		<u>1,264,672</u>	<u>23,408,357</u>
Deferred tax, liabilities	3	48,628	48,628
Provisions		<u>48,628</u>	<u>48,628</u>
Trade payables		99,654	262,013
Payables to group enterprises		22,154,731	0
Corporation tax payables	3	0	1,035,581
Other payables		4,000,381	4,711,283
Deferred income		0	217,600
Short-term liabilities other than provisions		<u>26,254,766</u>	<u>6,226,477</u>
Liabilities other than provisions		<u>26,254,766</u>	<u>6,226,477</u>
Total equity and liabilities		<u><u>27,568,066</u></u>	<u><u>29,683,462</u></u>

Statement of changes in equity

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
	DKK	DKK	DKK	DKK
Equity at 1 April 2021	50,000	19,576,774	0	19,626,774
Distributed profit/loss for the year		-14,218,417	18,000,000	3,781,583
Equity at 1 April 2022	50,000	5,358,357	18,000,000	23,408,357
Dividends paid		0	-18,000,000	-18,000,000
Distributed profit/loss for the year		-4,143,685	0	-4,143,685
Equity at 31 March 2023	50,000	1,214,672	0	1,264,672

Notes

1. Staff costs

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
Wages and salaries	15,332,288	17,709,843
Pensions	253,707	0
Other social security costs	1,107,478	154,583
Other staff cost	4,225	0
Total	<u>16,697,698</u>	<u>17,864,426</u>
Average number of full-time employees	<u>12</u>	<u>13</u>

2. Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
Depreciation of property, plant and equipment	<u>84,258</u>	<u>56,862</u>
Total	<u>84,258</u>	<u>56,862</u>

3. Tax expense

	<u>Corpora- tion tax</u>	<u>Deferred tax</u>	<u>Tax on profit/loss for the year</u>	<u>2021/22</u>
	DKK	DKK	DKK	DKK
Payables at 1 April 2022	1,035,581	48,628		
Corrections of previous year's taxes	0	0	0	34,850
Paid in respect of previous years	-1,035,562			
Tax on profit/loss for the year	0	0	0	1,083,981
Prepaid tax	-1,388,000			
Payables at 31 March 2023	<u>-1,387,981</u>	<u>48,628</u>		
Tax on profit/loss for the year recognised in the income statement			<u>0</u>	<u>1,118,831</u>
<i>Recognition in balance sheet:</i>				
Short-term receivables (current asset)	-1,387,981	0		
Provisions		48,628		
Total	<u>-1,387,981</u>	<u>48,628</u>		

Notes, continued

4. Property, plant and equipment

	Fixtures, fittings, tools and equipment	Total	2021/22
	DKK	DKK	DKK
Cost at 1 April 2022	269,600	269,600	88,179
Additions for the year	34,174	34,174	181,421
Cost at 31 March 2023	303,774	303,774	269,600
Depreciation and impairment losses at 1 April 2022	-88,382	-88,382	-31,520
Depreciation for the year	-84,258	-84,258	-56,862
Depreciation and impairment losses at 31 March 2023	-172,640	-172,640	-88,382
Carrying amount at 31 March 2023	131,134	131,134	181,218