

# **Adaptive Recognition Nordic A/S**

Ørestads Boulevard 73, 2300 København S

**CVR no. 40 34 32 29**

**Annual report for the period  
1 March 2021 to 28 February 2022**

**Prepared without audit or review**

Adopted at the annual general meeting on 2 July  
2022

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Alan Tofte  
chairman



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## Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Adaptive Recognition Nordic A/S for the financial year 1 March 2021 - 28 February 2022.

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 28 February 2022 and of the results of the company's operations for the financial year 1 March 2021 - 28 February 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen S, 21 June 2022

### Executive board

Alan Tofte

### Supervisory board

Viktor Kertesz  
chairman

Attila Kertesz

Alan Tofte

## Auditor's report on compilation of the financial statements

### *To the shareholders of Adaptive Recognition Nordic A/S*

We have compiled the financial statements of Adaptive Recognition Nordic A/S for the financial year 1 March 2021 - 28 February 2022 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 21 June 2022

### **Baker Tilly Denmark**

Godkendt Revisionspartnerselskab  
CVR no. 35 25 76 91

Henrik Sadolin Jørgensen  
statsautoriseret revisor  
MNE no. mne33281

Anne Cathrine Nielsen  
statsautoriseret revisor  
MNE no. mne41368

## Company details

The company	<p>Adaptive Recognition Nordic A/S Ørestads Boulevard 73 2300 København S</p> <p>CVR no.: 40 34 32 29</p> <p>Reporting period: 1 March 2021 - 28 February 2022</p> <p>Incorporated: 1 March 2019</p> <p>Domicile: Copenhagen</p>
Supervisory board	<p>Viktor Kertesz, chairman Attila Kertesz Alan Tofte</p>
Executive board	<p>Alan Tofte</p>
Auditors	<p>Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby</p>

## **Management's review**

### **Business review**

The company's purpose is to conduct business in connection with the manufacture and sale of IT security equipment, ANPR, automatic number plate recognition, speed measurement equipment, Biometric scanners, ID scanners and related business.

### **Financial review**

The company's income statement for the year ended 28 February 2022 shows a profit of DKK 1.106.907, and the balance sheet at 28 February 2022 shows equity of DKK 1.518.824.

### **Significant events occurring after the end of the financial year**

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

## Income statement 1 March - 28 February

	Note	2021/22 DKK	2020/21 DKK
<b>Gross profit</b>		<b>2.186.673</b>	<b>1.125.896</b>
Staff costs	1	-714.414	-831.881
Financial income	2	0	42.440
Financial costs	3	-46.594	-9.888
<b>Profit/loss before tax</b>		<b>1.425.665</b>	<b>326.567</b>
Tax on profit/loss for the year	4	-318.758	-74.404
<b>Profit/loss for the year</b>		<b>1.106.907</b>	<b>252.163</b>
<b>Recommended appropriation of profit/loss</b>			
Proposed dividend for the year		600.000	0
Retained earnings		506.907	252.163
		<b>1.106.907</b>	<b>252.163</b>

## Balance sheet 28 February

	Note	2021/22 DKK	2020/21 DKK
<b>Assets</b>			
Trade receivables		325.926	142.274
Other receivables		80.733	0
<b>Receivables</b>		<b>406.659</b>	<b>142.274</b>
<b>Cash at bank and in hand</b>		<b>2.088.724</b>	<b>2.926.745</b>
<b>Total current assets</b>		<b>2.495.383</b>	<b>3.069.019</b>
<b>Total assets</b>		<b>2.495.383</b>	<b>3.069.019</b>



## Balance sheet 28 February

	Note	2021/22 DKK	2020/21 DKK
<b>Equity and liabilities</b>			
Share capital		400.000	400.000
Retained earnings		518.824	11.917
Proposed dividend for the year		600.000	0
<b>Equity</b>		<b>1.518.824</b>	<b>411.917</b>
Other payables		15.681	15.188
<b>Total non-current liabilities</b>		<b>15.681</b>	<b>15.188</b>
Prepayments received from customers		0	155.265
Trade payables		33.750	79.642
Payables to shareholders and management		836	836
Corporation tax		304.758	74.404
Other payables		621.534	2.331.767
<b>Total current liabilities</b>		<b>960.878</b>	<b>2.641.914</b>
<b>Total liabilities</b>		<b>976.559</b>	<b>2.657.102</b>
<b>Total equity and liabilities</b>		<b>2.495.383</b>	<b>3.069.019</b>

## Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 March	400.000	11.917	0	411.917
Net profit/loss for the year	0	506.907	600.000	1.106.907
<b>Equity at 28 February</b>	<b>400.000</b>	<b>518.824</b>	<b>600.000</b>	<b>1.518.824</b>

## Notes

	2021/22 DKK	2020/21 DKK
<b>1 Staff costs</b>		
Wages and salaries	536.956	780.511
Pensions	73.070	0
Other social security costs	5.978	8.079
Other staff costs	98.410	43.291
	<b>714.414</b>	<b>831.881</b>
Average number of employees	1	1
	2021/22 DKK	2020/21 DKK
<b>2 Financial income</b>		
Exchange gains	0	42.440
	<b>0</b>	<b>42.440</b>
<b>3 Financial costs</b>		
Other financial costs	45.219	9.888
Exchange loss	1.375	0
	<b>46.594</b>	<b>9.888</b>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	318.758	74.404
	<b>318.758</b>	<b>74.404</b>

## Notes

### 5 Contingent liabilities

The company has entered into rent obligations, where the total obligation in the non-cancellable period is DKK 3 thousand.

## **Accounting policies**

The annual report of Adaptive Recognition Nordic A/S for 2020/21 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2021/22 is presented in DKK

### **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 installments 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 less costs of consumables and other external expenses.

#### **Revenue**

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

## Accounting policies

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

### Expenses for consumables

Costs of consumables include the consumables used in generating the year's revenue.

### Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, etc.

### Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, etc.

### Tax on profit/loss for the year

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

### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at banks.

## Accounting policies

### Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

### 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.

The compensated absence commitment which the company's employees earn during the transitional period from 1 September 2019 to 31 August 2020, is administered by the company and is paid in to the Danish Holiday Fund before the employee reaches the pensionable age. Other debt is measured at amortised cost, which usually corresponds to the nominal value.