



Kraken Robotics Denmark ApS

C/O GALST Advokataktieselskab
Gammel Strand 44
1202 København K

CVR No. 41722053

Annual Report

1 January 2022 - 31 December 2022

3. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 7 August 2023

Gregory Michael Reid
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of Kraken Robotics Denmark ApS for the financial year 1 January 2022 - 31 December 2022.

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 assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

The conditions for not conducting an audit of the Financial Statement have been met.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 7 August 2023

Executive Board

Gregory Michael Reid
Manager

Kraken Robotics Denmark ApS

Company details

Company	Kraken Robotics Denmark ApS C/O GALST Advokataktieselskab Gammel Strand 44 1202 København K
CVR No.	41722053
Date of formation	1 October 2020
Executive Board	Gregory Michael Reid, Manager

Management's Review

The Company's principal activities

The Company's principal activities consist in business within the production and sale of sonar equipment as well as service and maintenance of sonar equipment and related business, as well as research and development, business development and sales and service of other oceanteach products.

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK 60.288 and the Balance Sheet at 31 December 2022 a balance sheet total of DKK 317.215 and an equity of DKK 181.987.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting Class

The Annual Report of Kraken Robotics Denmark ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

General Information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are 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 term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operation income, cost of raw and consumables and other external expenses.

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and net of sales discounts.

Other external expenses

Other external costs include costs for administration etc.

Staff expenses

Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

Financial expenses

Financial expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial expenses include, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Other payables

Other payables are measured at amortised cost, which usually corresponds to the nominal value

Accounting Policies

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2022 kr.	2021 kr.
Gross profit		560.626	603.111
Staff costs	1	-479.193	-544.552
Profit from ordinary operating activities		81.433	58.559
Finance expences		-707	-11.086
Profit from ordinary activities before tax		80.726	47.473
Tax expense on ordinary activities		-20.438	-10.428
Profit		60.288	37.045
Proposed distribution of results			
Retained earnings		60.288	37.045
Distribution of profit		60.288	37.045

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
Assets			
Short-term receivables from group enterprises		266.609	225.861
Other receivable		6.429	954
Receivables		273.038	226.815
Cash and cash equivalents		44.177	39.637
Current assets		317.215	266.452
Assets		317.215	266.452

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
Liabilities and equity			
Contributed capital		50.000	50.000
Retained earnings		131.987	71.698
Equity		181.987	121.698
Trade payables		62.778	47.222
Tax payables		15.791	10.429
Other payables		56.659	87.103
Short-term liabilities other than provisions		135.228	144.754
Liabilities other than provisions within the business		135.228	144.754
Liabilities and equity		317.215	266.452
Contingent liabilities	2		
Collaterals and assets pledges as security	3		

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2022	50.000	71.699	121.699
Profit (loss)	0	60.288	60.288
Equity 31 December 2022	50.000	131.987	181.987

The share capital has remained unchanged for the last 5 years.

Notes

	2022	2021
1. Staff costs		
Wages and salaries	473.208	536.836
Social security contributions	5.985	7.716
	<u>479.193</u>	<u>544.552</u>
 Average number of employees	 <u>1</u>	 <u>1</u>

2. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

3. Collaterals and securities

No securities or mortgages exist at the balance sheet date.