



Kraken Robotics Denmark ApS

c/o GALST Advokataktieselskab
Gammel Strand 44
1202 København K

CVR No. 41722053

Annual Report

1 October 2020 - 31 December 2020

1. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 14 June 2021

Gregory Michael Reid
Chairman



Independent auditor's review report on financial statements

To the shareholders of Kraken Robotics ApS

We have reviewed the financial statements of Kraken Robotics ApS for the financial year 1 October – 31 December 2020 comprising income statement, balance sheet, and notes, including accounting policies.

Management's responsibility 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the financial statements. We have performed our review in accordance with the International Standard relating to Engagements to Review Historical Financial Statements and additional requirements under Danish audit regulation. This requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This also requires that we comply with relevant ethical requirements.

A review of financial statements in accordance with the International Standard relating to Engagements to Review Historical Financial Statements is a limited assurance engagement. The auditor performs procedures primarily consisting of making enquiries of Management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 October – 31 December 2020 in accordance with the Danish Financial Statements Act.

Copenhagen, 1 June 2021

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Klaus Rytz
State Authorised
Public Accountant
mne33205

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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 October 2020 - 31 December 2020.

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 2020 and of the results of the Company's operations for the financial year 1 October 2020 - 31 December 2020.

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

It has been decided at the formation that the company's annual report will not be audited. Conditions to not audit the annual report are considered fulfilled.

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

Copenhagen, 14 June 2021

Executive Board

Gregory Michael Reid

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

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 oceantech products.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 October 2020 - 31 December 2020 shows a result of DKK 34.653 and the Balance Sheet at 31 December 2020 a balance sheet total of DKK 421.718 and an equity of DKK 84.653.

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 2020 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.

As the financial year 2020 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous 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 princip.

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.

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

Revenue

Income from delivery of services is recognised on a straight-line basis in net sales, as the service is delivered. The revenue is exclusive of VAT and net of sales discounts.

Other external expenses

Other external costs include costs for administration.

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.

Other staff expenses are recognised in other external expenses.

Financial expenses

Financial expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial expenses include interest expenses 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.

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.

Contingent assets and liabilities

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

Income Statement

	Note	2020 kr.
Gross profit		533.923
Staff costs	1	-482.818
Profit from ordinary operating activities		51.105
Finance expenses arising from group enterprises		-4.022
Other finance expenses		-1.166
Profit from ordinary activities before tax		45.917
Tax expense on ordinary activities		-11.264
Profit		34.653
Proposed distribution of results		
Retained earnings		34.653
Distribution of profit		34.653

Balance Sheet as of 31 December

	Note	2020 kr.
Assets		
Other short-term receivables		2.577
Receivables		2.577
Cash and cash equivalents		419.141
Current assets		421.718
Assets		421.718

Balance Sheet as of 31 December

	Note	2020 kr.
Liabilities and equity		
Contributed capital		50.000
Retained earnings		34.653
Equity		84.653
Trade payables		256.087
Payables to group enterprises		49.159
Tax payables		11.760
Other payables		20.059
Short-term liabilities other than provisions		337.065
Liabilities other than provisions within the business		337.065
Liabilities and equity		421.718
Contingent liabilities	2	
Collaterals and assets pledges as security	3	

Notes

2020

1. Staff costs

Wages and salaries

482.250

Social security contributions

568

482.818

Average number of employees

1

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.