

SETOLITE Nordic ApS

Kongens Nytorv 26, 3., 1050 København K

Annual report

2021/22

Company reg. no. 42 60 53 87

The annual report was submitted and approved by the general meeting on the 23 January 2023.

Peter Schultz
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Managing Director has approved the annual report of SETOLITE Nordic ApS for the financial year 2021/22.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2022 and of the results of the Company's operations for the financial year 13 August 2021 - 30 June 2022.

The Managing Director consider the conditions for audit exemption of the 2021/22 financial statements to be met.

Further, in my opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

København K, 23 January 2023

Managing Director

Peter Schultz

Practitioner's compilation report

To the Shareholders of SETOLITE Nordic ApS

We have compiled the financial statements of SETOLITE Nordic ApS for the financial year 13 August 2021 - 30 June 2022 based on the company's bookkeeping and on information you have provided.

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

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

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

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Risskov, 23 January 2023

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Kaj Kromann Laschewski
State Authorised Public Accountant
mne32783

Company information

The company

SETOLITE Nordic ApS
Kongens Nytorv 26, 3.
1050 København K

Company reg. no. 42 60 53 87
Established: 13 August 2021
Domicile: København K
Financial year: 13 August - 30 June

Managing Director

Peter Schultz

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Voldbjergvej 16, 2. sal
8240 Risskov

Management´s review

The principal activities of the company

The principal activities of the company is trade in lighting products and related business.

Development in activities and financial matters

The gross loss for the year totals DKK -260.556. Income or loss from ordinary activities after tax totals DKK -521.707. Management considers the net loss for the year as expected.

The company has lost equity. The management expects to re-establish the equity in the future earnings. It is the management's assessment that the company has sufficient liquidity and capital resources the coming year. It is assumed for the presentation of the accounts that the credit facilities provided can if maintained and expanded in line with the need, and the annual accounts are therefore presented on the assumption of the company's continued operation.

Income statement

All amounts in DKK.

<u>Note</u>	13/8 2021 - 30/6 2022
Gross profit	-260.556
2 Staff costs	-260.757
Operating profit	-521.313
3 Other financial expenses	-394
Pre-tax net profit or loss	-521.707
Net profit or loss for the year	-521.707
Proposed distribution of net profit:	
Allocated from retained earnings	-521.707
Total allocations and transfers	-521.707

Balance sheet

All amounts in DKK.

Assets		
<u>Note</u>		<u>30/6 2022</u>
Current assets		
Other receivables		<u>36.223</u>
Total receivables		<u>36.223</u>
Cash and cash equivalents		<u>87.126</u>
Total current assets		<u>123.349</u>
Total assets		<u>123.349</u>

Balance sheet

All amounts in DKK.

<u>Note</u>	<u>30/6 2022</u>
Equity and liabilities	
Equity	
Contributed capital	40.000
Results brought forward	-521.707
Total equity	-481.707
 Liabilities other than provisions	
Trade payables	74.563
Payables to group enterprises	529.155
Other payables	1.338
Total short term liabilities other than provisions	605.056
 Total liabilities other than provisions	 605.056
 Total equity and liabilities	 123.349

1 Uncertainties relating to going concern

4 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 13 August 2021	0	0	0
Equity 13 August 2021	0	0	0
Cash capital increase	40.000	0	40.000
Profit or loss for the year brought forward	0	-521.707	-521.707
	<u>40.000</u>	<u>-521.707</u>	<u>-481.707</u>

Notes

All amounts in DKK.

1. Uncertainties relating to going concern

The company has lost equity. The management expects to re-establish the equity in the future earnings. It is the management's assessment that the company has sufficient liquidity and capital resources the coming year. It is assumed for the presentation of the accounts that the credit facilities provided can if maintained and expanded in line with the need, and the annual accounts are therefore presented on the assumption of the company's continued operation.

	13/8 2021 - 30/6 2022
	<hr/>
2. Staff costs	
Salaries and wages	259.621
Other costs for social security	1.136
	<hr/>
	260.757
	<hr/>
Average number of employees	1
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3. Other financial expenses	
Other financial costs	394
	<hr/>
	394
	<hr/>

4. Contingencies

Contingent assets

The company has an unrecognized tax asset of approx 114.000 kr.

Accounting policies

The annual report for SETOLITE Nordic ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The annual report is presented in DKK. The annual report comprises the first financial year and hence comparative figures are not available.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Accounting policies

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Statement of financial position

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Accounting policies

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.