

Tag Vision ApS

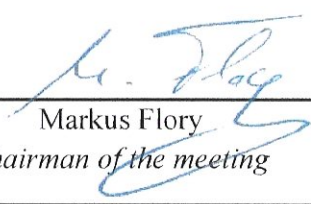
CVR-no. 56 41 48 19

Tranevang 2
3450 Allerød

Annual Report 2020

(financial year 1 January 2020 - 31 December 2020)

The Annual Report is presented and
adopted at the Annual General Meeting of
shareholders on the 22 April 2021



Markus Flory

Chairman of the meeting

Table of Contents

	<u>Page</u>
Statements and reports	
Management's Statement	3
Independent Auditor's Reports	4
Management's Review	
Company details	8
Management's Review	9
Financial Statements	
Income Statement	10
Balance Sheet	11
Notes	13
Accounting policies	14

Management's Statement

The Executive Board have today considered and approved the Annual Report of 1 January 2020 - 31 December 2020 for Tag Vision ApS.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.


In my opinion the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 31 December 2020.

In my opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

We recommend the Annual Report approved at the Annual General Meeting.

Allerød, 22 April 2021

Executive Board:



Markus Flory

Independent Auditor's Reports

To the Shareholders of Tag Vision ApS

Opinion

We have audited the Financial Statements of Tag Vision ApS for the financial year 1 January 2020 - 31 December 2020, which comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the operations for the financial year 1 January 2020 - 31 December 2020, in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company in accordance with the International Ethics Standards Board for 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. 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, disclosing, as applicable, matters related to going concern and 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.

Independent Auditor's Reports (-continued)

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 judgment and maintain professional skepticism 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.
- 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.

Independent Auditor's Reports (-continued)

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, 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.

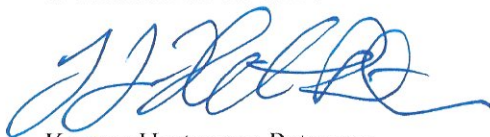
In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not identify any material misstatement of Management's Review.

Allerød, 22 April 2021

Piaster Revisorerne,
statsautoriseret revisionsaktieselskab
CVR. no.: 25 16 00 37



Kaspar Hartmann-Petersen
State Authorized Public Accountant
mne45833

Company details

The Company	Tag Vision ApS Tranevang 2 3450 Allerød
	Identification no.: 56 41 48 19
	Founded: 1 April 1976
	Registered office: Allerød
	Financial year: 1 January - 31 December
Executive Board	Markus Flory
Auditor	Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab
Bank	Danske Bank A/S

Management's Review

Primary activities of entity

The company's purpose is to develop, produce, market and sell RFID Software- and Hardware solutions for media processing in libraries.

TagVision ApS' solutions include user interface for customers (Software) and monitoring, check-in / check-out self-service terminals, sorting machines, gates (Products) and as well as servicing installed equipment's and installing software and hardware (Service).

Development in activities and financial affairs

The company has slightly decreased sales compared with the previous year. Profit before tax decreased from 129.701 DKK to 51.139 DKK.

The company's financial performance is considered satisfying.

Significant events occurred after the end of the financial year

After the end of the financial year, the society has been affected by the outbreak of the Disease COVID-19. The spread of the disease and the partial shutdown of the society and business operations has led to greater financial uncertainty.

The company is currently affected to a limited extent by the outbreak. At the current state it is not possible to fully evaluate the impact on the operations and financial situation of the company.

No other material events after year end has affected the company operations and financial situation.

Income statement 1 January - 31 December

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
Gross profit		1.453.733	2.072.328
Staff costs	1	-1.411.940	-1.969.304
Operating profit		41.793	103.024
Financial income		22.810	33.764
Financial expenses	2	-13.464	-7.087
Profit before tax		51.139	129.701
Tax expense	3	0	0
Profit for the year		51.139	129.701
 Proposed distribution of results			
Retained earnings		51.139	129.701
Proposed dividend recognised in equity		0	0
Total distribution		51.139	129.701

Balance sheet at 31 December

Assets

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
Other receivables		54.251	53.990
Financial fixed assets		54.251	53.990
Fixed assets		54.251	53.990
Inventories	4	359.826	391.944
Trade receivables		550.202	652.013
Receivables from group enterprises		603.340	1.297.964
Other receivables		23.287	0
Receivables		1.176.829	1.949.977
Cash and cash equivalents		1.382.424	562.343
Current assets		2.919.079	2.904.264
Assets		2.973.330	2.958.254

Balance sheet at 31 December

Equity and liabilities

	Notes	2020	2019
Share capital		500.000	500.000
Retained earnings		1.533.574	1.482.435
Proposed dividend recognised in equity		0	0
Equity		2.033.574	1.982.435
Trade payables		332.796	217.955
Other payables		324.510	323.343
Deferred income		282.450	434.521
Short-term liabilities other than provisions		939.756	975.819
Liabilities other than provisions		939.756	975.819
Equity and liabilities		2.973.330	2.958.254
Contingent liabilities	5		

Statement of changes in equity 1. January - 31. December

	2020	2019
Share capital		
Beginning balance	500.000	500.000
End balance	500.000	500.000
Retained earnings		
Beginning balance	1.482.435	1.352.734
Profit (loss)	51.139	129.701
End balance	1.533.574	1.482.435
Proposed dividend recognized in equity		
Beginning balance	0	0
Dividend paid	0	0
Profit (loss)	0	0
End balance	0	0
Equity	2.033.574	1.982.435

Notes

	<u>2020</u>	<u>2019</u>
1 Staff costs		
Wages and salaries	1.393.562	1.937.795
Post-employment benefit expense	7.668	17.623
Social security contributions	10.710	13.886
	<u>1.411.940</u>	<u>1.969.304</u>
Average number of full time employees	<u>4</u>	<u>4</u>
2 Financial expenses		
Other financial expenses	13.464	7.087
	<u>13.464</u>	<u>7.087</u>
3 Tax expense		
Tax expense on ordinary activities	0	0
Adjustment of deferred tax	0	0
	<u>0</u>	<u>0</u>
4 Inventories		
Raw materials and consumables	209.826	241.944
Work in progress	150.000	150.000
	<u>359.826</u>	<u>391.944</u>

5 Contingent liabilities

The company has per. 31 December 2020 rent liabilities at tDKK 119.

Accounting policies

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

The accounting policies are consistent with those of last year.

General

In general regarding accounting and measuring

Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On initial recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Currency retranslation

Transactions denominated in foreign currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Exchange differences arising between the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. The difference between the exchange rates ruling at the balance sheet date and at the date when the receivable or payable arose is recognized in the income statement under financial income or financial expenses.

Non-current assets acquired in foreign currency are measured to the exchange rate ruling at the date of the transaction.

Accounting policies

Income statement

Gross profit

With reference to section 32 of the Financial Statement Act, the items “Revenue” to and including “Other external expenses” are consolidated into one item designated “Gross profit”.

Revenue

Revenue includes invoiced sales of goods and rendering of services, recognition is done, when

- delivery and transfer of risk to the buyer has taken place before year end
- a committing sales agreement exists
- sales price is determined, and
- payment is received, or there are reasonable security that it will be received

Revenue is recognized excluding value added tax and after deduction of provisions rebates and trade discounts relating to the sale.

Cost of sales

Cost of sales include costs incurred to achieve revenue for the year. Cost of sales include freight and forwarding costs.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, bad debt, premises, operating lease agreements etc.

Staff costs

Staff costs comprise costs such as wages and salaries, pension costs and other social security benefits ect. to the company's employees.

Other operating income and expenses

Other operating income and expenses includes items of a secondary nature relative to the enterprise's core business.

Financial items

Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

Accounting policies

Tax expense

Tax on income for the year, consisting of the year's current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

Balance sheet

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale, raw materials and consumables comprises purchase price plus delivery costs.

The cost of finished goods and work in progress comprises the cost of raw materials, direct labor and direct production costs.

The net realisable value of inventories is determined taking into account marketability, obsolescence and development in expected sales price less completion costs and costs incurred

Receivables

Receivables are measured at amortized cost which corresponds in all material respects to nominal value. The value is reduced with provisions for expected bad debts.

Deferred income

Deferred income, recognized under liabilities, comprise income concerning subsequent

Cash and bank balances

Cash comprises cash balances and bank balances.

Dividends

Dividends expected to be paid in respect of the year are stated as a separate line item under

Current tax and current deferred tax

Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

Accounting policies

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

Liabilities

Borrowings are recognized at the time the loans are obtained and are initially measured at the proceeds received less transaction costs. In the subsequent periods, financial liabilities are measured at amortized cost, applying the ‘effective interest rate method’, to the effect that the difference between the proceeds and the nominal value is recognized in the income statement

Other liabilities are measured at amortized cost, corresponding to the nominal value.