

Systech GB Limited
Report of the Directors and
Financial Statements for the Year Ended 31st December 2020

Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

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for the year ended 31st December 2020

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Systech GB Limited

Company Information

for the year ended 31st December 2020

DIRECTORS:

A Taylor
D M Rapposelli

SECRETARIES:

The Briars Group Ltd
A Taylor

REGISTERED OFFICE:

Oak House
Tanshire Park
Shackleford Road
Elstead
Surrey
GU8 6LB

REGISTERED NUMBER:

04222246 (England and Wales)

AUDITORS:

Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Report of the Directors

for the year ended 31st December 2020

The directors present their report with the financial statements of the company for the year ended 31st December 2020.

DIRECTORS

The directors who have held office during the period from 1st January 2020 to the date of this report are as follows:

J A Milana - resigned 24th January 2020
A A Ohanian - resigned 24th January 2020
A Taylor - appointed 24th January 2020
R M S Veenma - appointed 24th January 2020

D M Rapposelli was appointed as a director after 31st December 2020 but prior to the date of this report.

R M S Veenma ceased to be a director after 31st December 2020 but prior to the date of this report.

GOING CONCERN

The directors have concluded that it is not appropriate that the financial statements are prepared on a going concern basis. Please see the going concern accounting policy in note 2 to the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

D M Rapposelli - Director

23rd March 2022

Report of the Independent Auditors to the Members of Systech GB Limited

Opinion

We have audited the financial statements of Systech GB Limited (the 'company') for the year ended 31st December 2020 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

Emphasis of matter regarding going concern

We draw attention to Note 2 to the financial statements which describe the company's intention to transfer its trade, assets and liabilities to a fellow subsidiary of the Dover Corporation group and the effect this has on the basis of preparing the financial statements. The directors therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Systech GB Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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 (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Report of the Independent Auditors to the Members of Systech GB Limited

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Dearing BSc FCCA (Senior Statutory Auditor)
for and on behalf of Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

23rd March 2022

Systech GB Limited (Registered number: 04222246)

Income Statement

for the year ended 31st December 2020

	Notes	2020 \$	2019 \$
TURNOVER		3,144,935	4,749,273
Administrative expenses		<u>2,364,040</u>	<u>4,393,608</u>
OPERATING PROFIT		780,895	355,665
Exceptional items	4	<u>549,607</u>	-
PROFIT BEFORE TAXATION		231,288	355,665
Tax on profit		<u>188,548</u>	<u>83,252</u>
PROFIT FOR THE FINANCIAL YEAR		42,740	<u>272,413</u>

The notes form part of these financial statements

Balance Sheet

31st December 2020

	Notes	2020 \$	\$	2019 \$	\$
FIXED ASSETS					
Tangible assets	5		1,086		12,646
CURRENT ASSETS					
Debtors	6	6,740,066		4,361,221	
Cash at bank		<u>27,520</u>		<u>55,754</u>	
		6,767,586		4,416,975	
CREDITORS					
Amounts falling due within one year	7	<u>2,699,199</u>		<u>165,747</u>	
NET CURRENT ASSETS			<u>4,068,387</u>		<u>4,251,228</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,069,473</u>		<u>4,263,874</u>
PROVISIONS FOR LIABILITIES			-		<u>237,141</u>
NET ASSETS			<u>4,069,473</u>		<u>4,026,733</u>
CAPITAL AND RESERVES					
Called up share capital	9		1		1
Retained earnings			<u>4,069,472</u>		<u>4,026,732</u>
SHAREHOLDERS' FUNDS			<u>4,069,473</u>		<u>4,026,733</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 23rd March 2022 and were signed on its behalf by:

D M Rapposelli - Director

Notes to the Financial Statements

for the year ended 31st December 2020

1. STATUTORY INFORMATION

Systech GB Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentational currency is US dollars.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

In September 2020 a decision was taken to transfer the company's business and operations to a fellow subsidiary within the Dover Corporation group. It is intended that the company's trade, assets and liabilities will be transferred to a fellow subsidiary by the end of 2021 and subsequently the company will become dormant.

As such, the accounts have not been prepared on the going concern basis. As a result of the decision exceptional items of \$549,607 have been recognised including additional liabilities of \$97,392 remaining at the year end.

Accounting estimates and judgements

Management does not consider there to be any significant judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, in the preparation of the financial statements.

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives are as follows:

Computer equipment: 3 years

Fixtures and fittings: 7 years

Leasehold improvements: over the length of the lease

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Notes to the Financial Statements - continued

for the year ended 31st December 2020

2. ACCOUNTING POLICIES - continued

Tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws, that have been enacted or substantively enacted by the balance sheet date, that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Foreign currencies

Assets and liabilities in foreign currencies are translated into USD at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into USD at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Interest receivable and interest payable

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Notes to the Financial Statements - continued

for the year ended 31st December 2020

2. ACCOUNTING POLICIES - continued

Employee benefits

Share-based payment arrangements in which the company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Company.

Where the company is part of a group share-based payment plan, it recognises and measures its share based payment expense on the basis of a reasonable allocation of the expense recognised for the group. The basis of such allocation is disclosed in note 11.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 14 (2019 - 27) .

4. EXCEPTIONAL ITEMS

	2020 \$	2019 \$
Exceptional items	<u>(549,607)</u>	<u>-</u>

Exceptional items relate to the costs of the company's decision to transfer the business and operations to a fellow subsidiary in the Dover Corporation group. The costs relate to lease terminations and severance pay.

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc \$
COST	
At 1st January 2020	167,305
Disposals	<u>(154,830)</u>
At 31st December 2020	<u>12,475</u>
DEPRECIATION	
At 1st January 2020	154,659
Charge for year	2,758
Eliminated on disposal	<u>(146,028)</u>
At 31st December 2020	<u>11,389</u>
NET BOOK VALUE	
At 31st December 2020	<u>1,086</u>
At 31st December 2019	<u>12,646</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 \$	2019 \$
Amounts owed by group undertakings	6,674,282	4,247,209
Other debtors	<u>65,784</u>	<u>114,012</u>
	<u>6,740,066</u>	<u>4,361,221</u>

Notes to the Financial Statements - continued

for the year ended 31st December 2020

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	\$	\$
Amounts owed to group undertakings	2,206,535	-
Taxation and social security	228,598	74,464
Other creditors	264,066	91,283
	<u>2,699,199</u>	<u>165,747</u>

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	\$	\$
Within one year	<u>-</u>	<u>70,705</u>

The above commitment makes allowance for the fact that the full lease has been provided for in provisions following the re-structuring that took place post year end.

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			\$	\$
1	Ordinary	1	<u>1</u>	<u>1</u>

10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is a subsidiary of Dover Corporation.

At the balance sheet date the largest group in which the results of the Company are consolidated is that headed by Dover Corporation., incorporated in the United States of America. The registered office address of Dover Corporation is:

Dover Corporation
3005 Highland Parkway,
Downers Grove,
Illinois, IL 60515
USA

Notes to the Financial Statements - continued

for the year ended 31st December 2020

11. SHARE-BASED PAYMENT TRANSACTIONS

Options in the ultimate parent company's shares are awarded to the employees of the company on a discretionary basis. Options are granted with a fixed exercise price equal to the market price of the shares under option at the date of the grant. The contractual life of an option is 10 years. All employees are eligible for option awards.

The ordinary share options granted on various dates throughout the year vest rateable over a four year term.

At 31 December 2020 the number of ordinary shares subject to options granted under Sys-Tech Solutions, Inc.'s share option scheme were:

Exercise period (years)	Weighted average exercise price per share (US\$)	At 1 January 2020	Number granted	Options forfeited or expired*	At 31 December 2020
3.8	<u>0.97</u>	<u>43,750</u>	<u>-</u>	<u>(43,750)</u>	<u>-</u>

At 31 December 2019 the number of ordinary shares subject to options granted under Sys-Tech Solutions, Inc.'s share option scheme were:

Exercise period (years)	Weighted average exercise price per share (US\$)	At 1 January 2019	Number granted	Options forfeited or expired*	At 31 December 2019
3.8	<u>0.97</u>	<u>43,750</u>	<u>-</u>	<u>-</u>	<u>43,750</u>

The directors believe that the associated accounting charge is not material and therefore has not been included in the financial statements.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.