

Haldor Topsøe International A/S
Haldor Topsøes Allé 1 - 2800 Kgs. Lyngby - Denmark

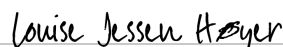


Annual Report 2020

Haldor Topsøe International A/S
CVR no. 23 97 22 12

The Annual Report has been presented and adopted at the Annual General Meeting on June 15, 2021.

DocuSigned by:

A handwritten signature in blue ink that reads "Louise Jessen Høyer".

Chair of the meeting,
Louise Jessen Høyer

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Directors' report

The business of the Company is to provide marketing and engineering consulting services. The activities of the company are mainly conducted through liaison offices in Bahrain, Saudi Arabia and Indonesia and via subsidiaries in India, Canada and Malaysia.

The net profit for the financial year 2020 has been TDKK 8,885.

The service agreement with Haldor Topsoe A/S has been revised. The percentage for mark-up on cost has been changed from 10% to 5% as per November 2019.

Statement by the Management and Board of Directors on the Annual Report

The Management and Board of Directors have today considered and adopted the Annual Report 2020 of Haldor Topsøe International A/S.

The financial statements have been 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 December 31, 2020 and of the results

of the company operations for 2020 in accordance with the applied accounting policies.

In our opinion, the Managements' review includes a true and fair account of the development in the operations and financial circumstances of the company, and the results for the year and of the financial position of the company.

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

Lyngby, June 15, 2021

Management

Philip Eickhoff

Board of Directors

Roelof Baan
(Chairman)

Lene Ramm

Philip Eickhoff

Independent Auditor's Report

To the Shareholder of Haldor Topsøe International A/S.

Opinion

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 Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Haldor Topsøe International A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

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.

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, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

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.

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.

- 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.

Copenhagen, June 15, 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Rikke Lund-Kühl

State Authorised Public Accountant

mne 33507

Annika Søndergaard Nielsen

State Authorised Public Accountant

mne 45835

Accounting policies

The financial statements of Haldor Topsøe International A/S for 2020 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from previous years.

The Annual Report has been denominated in DKK 1,000.

General

The financial statements have been prepared in accordance with the historical cost convention.

Translation policy

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transaction. Foreign currency monetary items are translated into the functional currency at the exchange rates prevailing at the balance sheet date.

Financial statements for branches with another functional currency than Danish kroner are translated into Danish kroner using the exchange rate prevailing at the balance sheet date for the balance sheet items and average exchange rates for income statement items, except from fixed assets and depreciation of the same, which is converted after the market value on the purchase day.

Financial statements of group and associated enterprises with another functional currency than Danish kroner are translated into Danish kroner using the exchange rate prevailing at the balance sheet date for the balance sheet items and average exchange rates for income statement items.

Currency translation adjustments arising on the translation of group enterprises' net assets at the beginning of the financial year and translation of

group enterprises' income statements from average exchange rates to the exchange rates prevailing at the balance sheet date are recognized directly in equity.

Income statement

Revenue

Revenue comprises of service fees from the company's operation of representation offices.

Recognition occurs when:

- delivery has been made before year end,
- a binding sales agreement has been made,
- the sales price has been determined, and
- payment has been received or receipt can be expected with reasonable certainty.

Other external expenses

Other external expenses comprise travelling, office expenses, entertainment, audit etc.

Staff expenses

Staff expenses comprise of wages and salaries as well as salary dependent costs.

Depreciation

Depreciation comprise of depreciation of property, plant and equipment.

Result of investments in group enterprises and associated enterprises

The proportionate share of the profit is recognized as "Result of investments in group enterprise" and "Result of investments in associated enterprise" respectively.

Financial income and expenses

Financial income and expenses comprise of interest and realized and unrealized foreign currency translation adjustments.

Tax

The company is jointly taxed with Haldor Topsøe Holding A/S, the ultimate parent company. Tax for the individual companies is allocated fully on the basis of expected taxable income. Foreign group enterprises are not included in the joint taxation.

Tax consist of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognized in the income statement, whereas the tax attributable to equity entries is recognized directly in equity.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation. Depreciation based on cost is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and equipment	4 - 10 years
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Gains and losses from sale of property, plant and equipment are recognized in 'Other external expenses'.

Leases are recognized as as a lease liability and a lease asset in the balance sheet with two exceptions: short-term leases (less than 12 months) and leases relating to low-value assets. It must furthermore be considered whether the agreement is a

lease or a service arrangement. The effect of the implementation is described below.

In the income statement, the lease expense is replaced by depreciation of the asset and an interest expense for the financial liability.

The standard is implemented using the modified retrospective approach, where the lease liability is determined on that date and the right-of-use assets are measured at an amount equal to the lease liability. Comparative figures are not restated.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortization and depreciation. If so, the asset is written down to its lower recoverable amount. Where a recoverable amount cannot be determined for the individual asset, the asset is assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Investments in group enterprises and associated enterprises

Investments in group enterprise and associated enterprises are recognized and measured under the equity method. The proportionate share of the company's equity is included in the Balance Sheet under the item 'Investments in group enterprise' and 'Investments in associated enterprise' respectively.

Receivables

Receivables are measured in the balance sheet at the lower of amortized cost and net realizable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments include expenses incurred in respect of subsequent financial years. Such expenses are typically prepaid expenses concerning rent.

Provisions

Provisions are recognized when – in consequence of a previous event – the company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation. Provisions are measured at management's estimate of the discounted amount expected to be required to repay the obligation.

Debt

Debts are measured at amortized cost, mainly corresponding to nominal value.

Tax

Current tax liabilities and current tax receivable are recognized in receivables in the balance sheet in the event of overpayment of tax on account, in debt in the event of underpayment of tax on account.

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates expected to be in force on elimination of temporary differences. Any changes in deferred tax due to changes in tax rates are recognized in the income statement with the share attributable to the results for the year and directly on equity with the share attributable to equity transactions.

Income statement January 1 - December 31

	Note	2020 DKK 1,000	2019 DKK 1,000
Revenue		23,874	26,782
Other operating income		715	0
Other external expenses		-4,252	-6,764
Staff expenses	1	-18,061	-17,366
Depreciation and impairment loss of property, plant and equipment	3	-997	-1,406
EBIT		1,279	1,246
Result of investments in group enterprises	4	10,504	12,507
Result of investments in associated enterprises	4	201	167
Financial income		557	143
Financial expenses	2	-1,545	-657
Profit before tax		10,996	13,406
Tax		-2,111	-321
Net profit		8,885	13,085
 Proposed distribution of profit			
Proposed dividend		3,000	0
Net revaluation reserve according to the equity method		10,705	12,674
Retained earnings		-4,820	411
		8,885	13,085

Balance sheet at December 31**Assets**

	Note	2020 DKK 1,000	2019 DKK 1,000
Land & building		1,698	2,266
Other fixtures and equipment		102	111
Property, plant and equipment	3	1,800	2,377
Investments in group enterprises		69,330	85,180
Investments in associated enterprises		1,077	1,048
Other receivables		35	61
Investments	4	70,442	86,289
Non-current assets		72,242	88,666
Receivables from group enterprises		4,892	0
Other receivables		54	2
Deferred tax assets		38	58
Prepayments		603	210
Receivables		5,587	270
Cash		19,406	2,003
Current assets		24,993	2,273
Assets		97,235	90,939

Balance sheet at December 31**Equity and liabilities**

	Note	2020 DKK 1,000	2019 DKK 1,000
Share capital		500	500
Net revaluation reserve according to the equity method		49,586	65,407
Retained earnings		31,215	18,483
Proposed dividend		3,000	
Equity		84,301	84,390
Provisions		0	86
Leasing, long term		1,900	1,280
Non-current liabilities		1,900	1,366
Leasing, short term		41	976
Trade payables		0	9
Payables to group enterprises		9,896	2,174
Corporate income tax		78	223
Other payables		1,019	1,801
Current liabilities		11,034	5,183
Liabilities		12,934	6,549
Equity and liabilities		97,235	90,939
Going concern	0		
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Statement of changes in equity

	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Proposed dividend	Total
	DKK 1,000	DKK 1,000	DKK 1,000	DKK 1,000	DKK 1,000
Equity at January 1, 2020	500	65,407	18,483	0	84,390
Adjustments relating to separate foreign legal entities	0	-8,974		0	-8,974
Net profit	0	10,705	-4,820	3,000	8,885
Dividend		-17,552	17,552		0
Equity at December 31, 2020	500	49,586	31,215	3,000	84,301

Notes to the financial statements

1 Staff expenses

	2020	2019
	DKK 1,000	DKK 1,000
Wages and salaries	14,416	13,777
Pensions	992	-32
Other social security contributions	2,653	3,621
	18,061	17,366

There has been no payments of salaries or fees to Management or Board of Directors during the years 2020 and 2019.

Average number of employees	17	20
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2 Financial expenses

	2020	2019
	DKK 1,000	DKK 1,000
Interest paid to group enterprises	0	48
Bank interests	23	15
Foreign currency translation adjustments	1,401	404
Other financial expenses	121	190
	1,545	657

Notes to the financial statements

3 Property, plant and equipment

	Land & building	Other fixtures and equipment
	<u> </u>	<u> </u>
Cost at January 1, 2020	3,536	1,347
Additions during the year	491	0
Disposals during the year	-877	-369
Net effect from change of accounting policy	0	0
Cost at December 31, 2020	<u>3,150</u>	<u>978</u>
Depreciation at January 1, 2020	1,270	1,236
Adjustment regarding previous years	-606	-6
Depreciation for the year	920	77
Reversal of depreciation on assets sold and scrapped	-132	-431
Depreciation at December 31, 2020	<u>1,452</u>	<u>876</u>
Carrying amount at December 31, 2020	<u>1,698</u>	<u>102</u>
Carrying amount of righth-of-use assets	1,698	0

Notes to the financial statements

4 Investments

	Investments in group enterprises	Investments in associated enterprises	Other receivables
	DKK 1,000	DKK 1,000	DKK 1,000
Cost at January 1, 2020	18,780	2,041	98
Additions during the year	0	0	31
Disposals during the year	0	0	-52
Cost at December 31, 2020	<u>18,780</u>	<u>2,041</u>	<u>77</u>
Revaluations at January 1, 2020	66,400	-993	-37
Foreign currency adjustment	-8,802	-439	-5
Equity adjustment	0	267	0
Dividend	-17,552	0	0
Net profit/(loss) for the year	<u>10,504</u>	<u>201</u>	<u>0</u>
Revaluations at December 31, 2020	<u>50,550</u>	<u>-964</u>	<u>-42</u>
Carrying amount at December 31, 2020	<u>69,330</u>	<u>1,077</u>	<u>35</u>

Investments in group enterprises are specified as follows:

Name	Place of registered office	Votes and ownership
Haldor Topsoe India Pvt. Ltd.	New Delhi, India	99.99%
Haldor Topsoe Canada Ltd.	Vancouver, Canada	100.00%
Haldor Topsoe Sdb. Bhd.	Kuala Lumpur, Malaysia	100.00%

Investments in associated enterprises are specified as follows:

Name	Place of registered office	Votes and ownership
Haldor Topsoe America Latina S.A.	Buenos Aires, Argentina	23.99%
Haldor Topsoe de México, S.A. de C.V.	Mexico	10.00%

Notes to the financial statements

5 Contractual obligations

There are no contractual obligations as per December 31, 2020.

6 Contractual liabilities

Through participation in joint taxation scheme with Topsøe Holding A/S, the Company is jointly and severally liable for taxes and VAT payable in Denmark.

7 Consolidated Accounts

Haldor Topsoe A/S prepares consolidated financial statements which includes the Company and its group enterprises. Address: Haldor Topsoe's Allé 1, 2800 Kgs. Lyngby, Denmark.
Company webpage: <https://www.topsoe.com/investor/annual-reports>

8 Subsequent events

No events materially affecting the Company's financial position at December 31, 2020 have occurred after the balance sheet date.