

Envision Energy (Denmark) ApS

Randersvej 2a, DK-8600 Silkeborg


CVR no. 31 49 25 21

Annual report

for the year 1 January - 31 December 2021

Approved at the Company's annual general meeting on

Chair of the meeting:


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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Envision Energy (Denmark) ApS for the financial year 1 January - 31 December 2021.

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

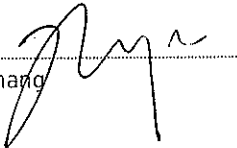
In my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2021.

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

I recommend that the annual report be approved at the annual general meeting.

Silkeborg, 14 March 2022
Executive Board:

Lei Zhang
CEO

A handwritten signature in black ink, appearing to be 'Lei Zhang', written over a horizontal dotted line.

Independent auditor's report

To the shareholders of Envision Energy (Denmark) ApS

Opinion

We have audited the financial statements of Envision Energy (Denmark) ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including 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 2021 and of the results of the Company's operations as well as the cash flows for the financial year 1 January - 31 December 2021 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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 as to 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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.

Independent auditor's report

- 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 note 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 the Management's review

Management is responsible for the Management's review.

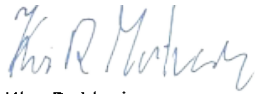
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Aarhus, 14 March 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Kim R. Mortensen
State Authorised Public Accountant
mne18513

Management's review

Company details

Name	Envision Energy (Denmark) ApS
Address, Postal code, City	Randersvej 2a, DK-8600 Silkeborg
CVR no.	31 49 25 21
Established	17 June 2008
Registered office	Silkeborg
Financial year	1 January - 31 December
Website	www.envisioncn.com
Telephone	+45 72 44 44 39
Executive Board	Lei Zhang, CEO
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Business review

Envision Energy (Denmark) ApS has been established to accommodate Envision's Global Innovation Centre (GIC), where experienced development engineers with a background from the wind industry are focusing on incubation, innovation, technology, and product development. GIC plays a significant role in supporting the Chinese organization with the development of key components for wind turbines mainly for the Chinese market.

In 2021, GIC primarily focused on establishing the new Incubation Workshop to support the long-term incubator development for inhouse blade design and manufacturing as well as some activities on inhouse gearbox lubrication design and tower damping solutions. A smart manufacturing platform has been incubated, developed, sourced, and deployed into two inhouse factories to support the digitalization of blade manufacturing and met cycle time on EN171 and newer longer blades. First version of the system is ready for mass deployment. New incubators and substructure testing has been developed and validated for the horizon #1 new technology demonstration blade. A new blade resin production method with cost breakthrough has been incubated, prototyped, and patented for supply chain turn around and deployment in 2022. The GIC inhouse root solution has been patented and become the standard for all inhouse blades. VIV tower damping solution has been commercialized and deploy in the international market leading way for final turbine certification. The first inhouse optimized gearbox is in production and 4 new gearbox products have been initiated.

Financial review

The profit for the year is 5,978 thousand DKK (2020: 3,470 thousand) and is in line with the expectations. The equity at 31 December 2021 totals 59,821 thousand (2020: 53,843 thousand).

Management considers the Company's financial performance in the year satisfactory.

Knowledge resources

Envision is aiming to provide the most cost-efficient and high-quality products and solutions in the renewable energy sector, and as such, management is continuously looking into new technology development and research, as well as to recruit key talents from the wind industry.

Events after the balance sheet date

There are no other events after the reporting period to be disclosed.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2021	2020
	Revenue	55,205,455	67,362,302
	Cost of sales	0	-1,230,000
2	Other operating income	1,904,517	3,449,932
	Other external expenses	-20,518,732	-29,528,950
	Gross profit	36,591,240	40,053,284
3	Staff costs	-30,739,366	-25,760,575
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-2,006,282	-7,261,753
	Profit before net financials	3,845,592	7,030,956
4	Financial income	4,127,375	147,281
5	Financial expenses	-161,962	-2,846,373
	Profit before tax	7,811,005	4,331,864
6	Tax for the year	-1,832,900	-861,900
	Profit for the year	5,978,105	3,469,964
	Recommended appropriation of profit		
	Reserve for development costs	1,532,909	1,329,391
	Retained earnings	4,445,196	2,140,573
		5,978,105	3,469,964

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	ASSETS		
	Fixed assets		
7	Intangible assets		
	Completed development projects	1,792,618	0
	Acquired intangible assets	0	15,280
	Development projects in progress and prepayments for intangible assets	1,876,997	1,704,348
		<u>3,669,615</u>	<u>1,719,628</u>
8	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	795,938	688,151
	Leasehold improvements	1,048,745	1,910,205
		<u>1,844,683</u>	<u>2,598,356</u>
9	Investments		
	Receivables from group entities	24,120,430	21,311,106
	Other receivables	1,313,608	1,523,608
		<u>25,434,038</u>	<u>22,834,714</u>
	Total fixed assets	<u>30,948,336</u>	<u>27,152,698</u>
	Non-fixed assets		
	Receivables		
	Receivables from group entities	11,824,835	22,244,972
12	Deferred tax assets	1,147,000	2,979,900
	Income taxes receivable	1,918,000	2,048,000
	Other receivables	611,956	3,370,605
10	Prepayments	1,144,354	1,442,969
		<u>16,646,145</u>	<u>32,086,446</u>
	Cash	<u>23,881,912</u>	<u>8,500,642</u>
	Total non-fixed assets	<u>40,528,057</u>	<u>40,587,088</u>
	TOTAL ASSETS	<u><u>71,476,393</u></u>	<u><u>67,739,786</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2021</u>	<u>2020</u>
	EQUITY AND LIABILITIES		
	Equity		
11	Share capital	125,000	125,000
	Reserve for development costs	2,862,300	1,329,391
	Retained earnings	<u>56,833,673</u>	<u>52,388,477</u>
	Total equity	<u>59,820,973</u>	<u>53,842,868</u>
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Deposits	795,223	795,223
	Other payables	<u>0</u>	<u>2,952,029</u>
		<u>795,223</u>	<u>3,747,252</u>
	Current liabilities other than provisions		
	Trade payables	3,559,763	3,386,304
	Payables to group entities	<u>0</u>	<u>2,416,580</u>
	Other payables	<u>7,300,434</u>	<u>4,346,782</u>
		<u>10,860,197</u>	<u>10,149,666</u>
	Total liabilities other than provisions	<u>11,655,420</u>	<u>13,896,918</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>71,476,393</u></u>	<u><u>67,739,786</u></u>

- 1 Accounting policies
- 13 Deferred income
- 14 Contractual obligations and contingencies, etc.
- 15 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2020	125,000	0	50,247,904	50,372,904
Transfer through appropriation of profit	0	1,329,391	2,140,573	3,469,964
Equity at 1 January 2021	125,000	1,329,391	52,388,477	53,842,868
Transfer through appropriation of profit	0	1,532,909	4,445,196	5,978,105
Equity at 31 December 2021	125,000	2,862,300	56,833,673	59,820,973

Financial statements 1 January - 31 December

Cash flow statement

Note	DKK	2021	2020
	Profit for the year	5,978,105	3,469,964
16	Adjustments	-126,223	9,552,745
	Cash generated from operations (operating activities)	5,851,882	13,022,709
17	Changes in working capital	11,586,560	-3,678,171
	Cash generated from operations (operating activities)	17,438,442	9,344,538
	Interest received, etc.	4,127,375	146,281
	Interest paid, etc.	-161,962	-2,846,373
	Income taxes paid	132,048	-3,959,206
	Cash flows from operating activities	21,535,903	2,685,240
	Additions of intangible assets	-2,647,724	-1,704,348
	Additions of other fixtures and fittings, tools and equipment	-554,880	-172,649
	Disposals of property, plant and equipment	0	118,635
	Loan to group companies	0	-21,311,106
	Other cash flows from investing activities	0	3,338,001
	Cash flows to investing activities	-3,202,604	-19,731,467
	Change in long term liabilities	-2,952,029	2,252,209
	Cash flows from financing activities	-2,952,029	2,252,209
	Net cash flow	15,381,270	-14,794,018
	Cash and cash equivalents at 1 January	8,500,642	23,294,660
18	Cash and cash equivalents at 31 December	23,881,912	8,500,642

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Envision Energy (Denmark) ApS for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Effective from the financial year 2021, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

In accordance with the Danish Business Authority's clarification in May 2021, financial statement items regarding equity investments in associates have been renamed to equity investments in participating interests as the financial statement items must be designated as such when the entity only holds equity investments in associates.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from sale comprises invoicing of development costs and delivery of windturbines to group companies and is recognised in the income statement provided that the time of delivery and transfer of risk have taken place before year end, and that the income can be reliably measured and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income

Other operating income comprises items of a secondary nature relative to the entity's core activities, including gains or losses on the sale of non-current assets and income from subletting of office facilities at Envision Energy Denmark ApS' main office in Silkeborg.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to advertising, administration, premises, operating leases, IT costs, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Intangible assets

Acquired intangible assets mainly comprise of software which is measured at cost less accumulated amortisation and impairment losses. Software is amortised on a straight-line basis over the expected useful lives, corresponding to three years.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 5-15 years. The amortization profile is reevaluated on an annual basis.

Gains or losses on the sale of intangible assets are recognised in the income statement under 'Other operating income' or 'Other operating expenses', respectively. Gains and losses are calculated by reference to the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Property, plant and equipment

Property, plant and equipment in the course of construction and prepayments are measured at cost. Assets are depreciated at the date of use.

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any cost directly attributable to the acquisition until the date when the asset is available for use. The cost of own-produced assets comprises direct cost of material, components and sub-suppliers

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

The basis of depreciation, which is calculated at cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Fixtures and fittings, tools and equipment: 3-5 years
Wind turbine for testing purposes is depreciated up to and including 2020.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Impairment of fixed assets

Every year, intangible assets and property, plant and equipment are reviewed for impairment. Where there is indication of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount. Where an impairment loss is recognised on a group of assets, the loss is allocated to the non-current assets on a pro rata basis.

Receivables

Receivables are measured at amortised cost less write-down for expected losses on bad debts based on a individual assessment. Write-downs are made to the lower of the net realisable value and the carrying amount.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprises cash balances and bank balances.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Corporation tax

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are measured at amortised cost which is essentially equivalent net realisable value.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash comprise cash in hand and bank deposits.

2 Other operating income

Other operating income includes income from subletting of office facilities at Envision Energy Denmark ApS' main office in Silkeborg. The other income is not related to the primary income.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2021	2020
3 Staff costs		
Wages/salaries	29,285,820	24,162,827
Pensions	1,379,223	1,364,538
Other social security costs	74,323	233,210
	<u>30,739,366</u>	<u>25,760,575</u>
Average number of full-time employees	<u>24</u>	<u>25</u>
4 Financial income		
Interest receivable, group entities	947,604	122,148
Exchange gain	3,134,069	0
Other financial income	45,702	25,133
	<u>4,127,375</u>	<u>147,281</u>
5 Financial expenses		
Other financial expenses	161,962	208,160
Exchange losses	0	2,638,213
	<u>161,962</u>	<u>2,846,373</u>
6 Tax for the year		
Deferred tax adjustments in the year	1,832,900	861,900
	<u>1,832,900</u>	<u>861,900</u>

On account tax payments totalled DKK 1,918,000 for 2021 and received of DKK 2,048,000 for 2020.

7 Intangible assets

DKK	Completed development projects	Acquired intangible assets	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2021	0	5,951,171	1,704,348	7,655,519
Additions in the year	770,727	0	1,876,997	2,647,724
Transfer from other accounts	1,704,348	0	-1,704,348	0
Cost at 31 December 2021	<u>2,475,075</u>	<u>5,951,171</u>	<u>1,876,997</u>	<u>10,303,243</u>
Impairment losses and amortisation at 1 January 2021	0	5,935,891	0	5,935,891
Amortisation in the year	682,457	15,280	0	697,737
Impairment losses and amortisation at 31 December 2021	<u>682,457</u>	<u>5,951,171</u>	<u>0</u>	<u>6,633,628</u>
Carrying amount at 31 December 2021	<u>1,792,618</u>	<u>0</u>	<u>1,876,997</u>	<u>3,669,615</u>

Financial statements 1 January - 31 December

Notes to the financial statements

8 Property, plant and equipment

DKK	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2021	6,208,962	4,392,179	10,601,141
Additions in the year	554,880	0	554,880
Cost at 31 December 2021	6,763,842	4,392,179	11,156,021
Impairment losses and depreciation at 1 January 2021	5,520,811	2,481,974	8,002,785
Depreciation in the year	447,093	861,460	1,308,553
Impairment losses and depreciation at 31 December 2021	5,967,904	3,343,434	9,311,338
Carrying amount at 31 December 2021	795,938	1,048,745	1,844,683

9 Investments

DKK	Receivables from group entities	Other receivables	Total
Cost at 1 January 2021	21,311,106	2,033,608	23,344,714
Additions in the year	2,809,324	0	2,809,324
Disposals in the year	0	-510,000	-510,000
Cost at 31 December 2021	24,120,430	1,523,608	25,644,038
Value adjustments at 1 January 2021	0	-510,000	-510,000
Reversal of revaluation of sold investments	0	510,000	510,000
Reversal of prior year impairment losses	0	-210,000	-210,000
Value adjustments at 31 December 2021	0	-210,000	-210,000
Carrying amount at 31 December 2021	24,120,430	1,313,608	25,434,038

10 Prepayments

Prepayments under assets mainly comprise accrual of expenses relating to subsequent financial years, including insurance policies, software licenses, rent and other prepaid expenses.

11 Share capital

The Company's share capital comprises 1,250 shares of DKK 100 each.

The Company's share capital has remained DKK 125,000 over the past 5 years.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2021	2020
12 Deferred tax		
Deferred tax at 1 January	-2,979,900	-3,841,800
Deferred tax adjustments in the year	1,832,900	861,900
Deferred tax at 31 December	-1,147,000	-2,979,900
Deferred tax relates to:		
Intangible assets	1,094,607	378,396
Property, plant and equipment	-697,926	-772,513
Inventories	0	-270,600
Tax loss	-1,543,681	-2,315,183
	-1,147,000	-2,979,900

13 Deferred income

Deferred income comprises payments relating to development costs for wind turbines for testing purposes, which will not be recognised as income until in the subsequent financial years once the recognition criteria are satisfied.

14 Contractual obligations and contingencies, etc.

Other contingent liabilities

Other financial obligations

Rent and lease liabilities (operating leases) total DKK 24,855 thousand (2020: 27,405 thousand) of which DKK 3,226 thousand (2020: 3,151 thousand) falls due within a year.

15 Related parties

Envision Energy (Denmark) ApS' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Envision Energy International Limited	Hong Kong	Owner

Information about consolidated financial statements

Parent	Domicile
Envision Energy International Limited	Hong Kong

Related party transactions

In 2021, Envision Energy (Denmark) ApS had the following related party transactions:

- Revenue, 55,205 thousand
- Financial income, 948 thousand
- Receivables group entities, 38,586 thousand
- Payables group entities, 2,641 thousand

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2021	2020
16 Adjustments		
Intangible - Amortisation/depreciation and impairment losses	697,737	264,558
Amortisation/depreciation and impairment losses	1,308,553	6,997,195
Write down of inventories	0	1,230,000
Provisions	0	-2,500,000
Financial income	-4,127,375	-147,281
Financial expenses	161,962	2,846,373
Tax for the year	1,832,900	861,900
	<u>-126,223</u>	<u>9,552,745</u>
17 Changes in working capital		
Change in receivables	10,878,077	2,252,242
Change in trade and other payables	708,483	-5,930,413
	<u>11,586,560</u>	<u>-3,678,171</u>
18 Cash and cash equivalents at year-end		
Cash according to the balance sheet	23,881,912	8,500,642
	<u>23,881,912</u>	<u>8,500,642</u>