

GreenCarbon A/ S

Barritskovvej 36, 7150 Barrit

CVR no. 31 74 53 22

Annual report 2021

Approved at the Company's annual general meeting on 29 June 2022

Chair of the meeting:

.....
Thomas Harttung

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of GreenCarbon A/S for the financial year 1 January - 31 December 2021.

The annual report is 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 for the financial year 1 January - 31 December 2021.

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

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

29 June 2022
Executive Board:

.....
Simon Jarl Jacobsen

Board of Directors:

.....
Thomas Harttung
Chair

.....
Silja Nyboe Andersen

.....
Nicolas Jean-Jacques
Cécile Verschuere

Independent auditor's report

To the shareholder of GreenCarbon A/S

Opinion

We have audited the financial statements of GreenCarbon A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity 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 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, 29 June 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Tom B. Lassen
State Authorised Public Accountant
mne24820

Management's review

Company details

Name	GreenCarbon A/S
Address, Postal code, City	Barritskovvej 36, 7150 Barrit
CVR no.	31 74 53 22
Established	1 August 2008
Registered office	Hedensted
Financial year	1 January - 31 December
Board of Directors	Thomas Harttung, Chair Silja Nyboe Andersen Nicolas Jean-Jacques Cécile Verschuere
Executive Board	Simon Jarl Jacobsen
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management commentary

Business review

The Company's principal activity is to develop and market methods for CO₂ Sequestration and related activities.

Unusual matters having affected the financial statements

Going concern

The Company has lost more than half of its share capital and is thus covered by section 119 of the Danish Companies Act on capital provisions. Management expects to restore equity through positive earnings.

Thomas Harttung A/S has agreed to support the Company financially for the next 12 months.

Reference is made to note 2 for more details.

Financial review

The income statement for 2021 shows a profit of DKK 235 thousand against a profit of DKK 74 thousand last year, and the balance sheet at 31 December 2021 shows equity of DKK 317 thousand.

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

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2021	2020
	Revenue	500	625
	Other external expenses	-41	-403
	Gross profit	459	222
3	Staff costs	0	0
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-152	-124
	Profit before net financials	307	98
4	Financial expenses	-5	-4
	Profit before tax	302	94
5	Tax for the year	-67	-20
	Profit for the year	235	74
	Recommended appropriation of profit		
	Other reserves	337	-58
	Retained earnings/accumulated loss	-102	132
		235	74

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2021	2020
	ASSETS		
	Fixed assets		
6	Intangible assets		
	Acquired intangible assets	730	298
		<u>730</u>	<u>298</u>
7	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	139	0
		<u>139</u>	<u>0</u>
	Total fixed assets	<u>869</u>	<u>298</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	0	156
	Other receivables	85	0
	Prepayments	8	0
		<u>93</u>	<u>156</u>
	Cash	<u>1</u>	<u>84</u>
	Total non-fixed assets	<u>94</u>	<u>240</u>
	TOTAL ASSETS	<u>963</u>	<u>538</u>
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	800	800
	Reserve for development costs	569	232
	Retained earnings	-1,052	-950
	Total equity	<u>317</u>	<u>82</u>
	Provisions		
	Deferred tax	132	65
	Total provisions	<u>132</u>	<u>65</u>
	Liabilities other than provisions		
9	Non-current liabilities other than provisions		
	Lease liabilities	96	0
		<u>96</u>	<u>0</u>
	Current liabilities other than provisions		
9	Current portion of long-term liabilities	22	0
	Trade payables	76	59
	Payables to group entities	320	180
	Joint taxation contribution payable	0	48
	Other payables	0	104
		<u>418</u>	<u>391</u>
	Total liabilities other than provisions	<u>514</u>	<u>391</u>
	TOTAL EQUITY AND LIABILITIES	<u>963</u>	<u>538</u>

- 1 Accounting policies
- 2 Capital matters
- 10 Contractual obligations and contingencies, etc.
- 11 Collateral
- 12 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2020	800	290	-1,082	8
Transfer through appropriation of profit	0	-58	132	74
Equity at 1 January 2021	800	232	-950	82
Transfer through appropriation of profit	0	337	-102	235
Equity at 31 December 2021	800	569	-1,052	317

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of GreenCarbon A/S 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.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Income statement

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (production method).

Income from construction contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from a construction contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

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 external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to administration, etc.

Amortisation/ depreciation

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

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include ad.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Acquired intangible assets	3-20 years
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Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

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

Other fixtures and fittings, tools and equipment	5 years
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Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest 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.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Other intangible assets include acquired intangible rights.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs and internally accumulated rights are recognised in the income statement as costs in the year of acquisition.

Gains and 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 as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

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.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

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 according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. 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.

Other payables

Other payables are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

2 Capital matters

The Company has lost more than half of its share capital and is thus covered by section 119 of the Danish Companies Act on capital provisions. Management expects to restore equity through positive earnings.

Thomas Harttung A/S has agreed to support the Company financially for the next 12 months.

Financial statements 1 January - 31 December

Notes to the financial statements

3 Staff costs

The Company has no employees, besides the Executive Board.

DKK'000	2021	2020
4 Financial expenses		
Interest expenses, group entities	4	2
Other financial expenses	1	2
	<u>5</u>	<u>4</u>
5 Tax for the year		
Estimated tax charge for the year	0	48
Deferred tax adjustments in the year	67	-28
	<u>67</u>	<u>20</u>

6 Intangible assets

DKK'000	Acquired intangible assets
Cost at 1 January 2021	2,372
Additions in the year	566
Cost at 31 December 2021	<u>2,938</u>
Impairment losses and amortisation at 1 January 2021	2,074
Amortisation/depreciation in the year	134
Impairment losses and amortisation at 31 December 2021	<u>2,208</u>
Carrying amount at 31 December 2021	<u>730</u>

Amortised over

7 Property, plant and equipment

DKK'000	Other fixtures and fittings, tools and equipment
Cost at 1 January 2021	0
Additions in the year	227
Disposals in the year	-70
Cost at 31 December 2021	<u>157</u>
Impairment losses and depreciation at 1 January 2021	0
Amortisation/depreciation in the year	18
Impairment losses and depreciation at 31 December 2021	<u>18</u>
Carrying amount at 31 December 2021	<u>139</u>
Property, plant and equipment include finance leases with a carrying amount totalling	<u>119</u>

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2021	2020
8 Share capital		
Analysis of the share capital:		
800 shares of DKK 1,000.00 nominal value each	800	800
	<u>800</u>	<u>800</u>

9 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2021	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Lease liabilities	118	22	96	0
	<u>118</u>	<u>22</u>	<u>96</u>	<u>0</u>

10 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent company, Barritskov Holding ApS, which acts as management company, and has limited and alternative liability together with other jointly taxed group entities for payment of income taxes for income as well as withholding taxes on interest, royalties and dividends falling due for payment.

11 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2021.

12 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Barritskov Holding ApS	Hedensted	At the Danish Business Authority
Thomas Harttung A/S	Hedensted	At the Danish Business Authority

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"By my signature I confirm all dates and content in this document."

Simon Jarl Jacobsen

Executive Board

On behalf of: GreenCarbon A/S

Serial number: PID:9208-2002-2-200126225247

IP: 130.227.xxx.xxx

2022-06-29 11:10:15 UTC



Thomas Alexander North Harttung

Chairman

On behalf of: GreenCarbon A/S

Serial number: d01c86f0-bdc1-47a5-b3ee-72feadb5dd0f

IP: 193.106.xxx.xxx

2022-06-29 11:11:14 UTC



Thomas Alexander North Harttung

Chair

On behalf of: GreenCarbon A/S

Serial number: d01c86f0-bdc1-47a5-b3ee-72feadb5dd0f

IP: 193.106.xxx.xxx

2022-06-29 11:11:14 UTC



Nicolas Jean-Jacques C Verschuere

Board of Directors

On behalf of: GreenCarbon A/S

Serial number: vrhguztk9vzyybw6do71dzwcwwm6oxzragg

IP: 94.109.xxx.xxx

2022-06-29 14:35:20 UTC



Silja Nyboe Andersen

Board of Directors

On behalf of: GreenCarbon A/S

Serial number: 30674738-88e2-467c-8df5-368c147e3613

IP: 62.198.xxx.xxx

2022-06-29 15:35:52 UTC



Tom Barreth Lassen

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: CVR:30700228-RID:1277382224436

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