

**Zenros ApS**  
**Brydehusvej 30 L, 2750 Ballerup**

**CVR-nr. 34 20 96 42**

**Annual report 2018/2019**

**1st July 2018 - 30th June 2019**  
**(7th financial year)**

Approved at the ordinary  
annual general meeting 14/10 2019

Chairman  
Lars Melvin Scharf

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## Company information

### **Company:**

Zenros ApS  
Brydehusvej 30 L  
2750 Ballerup

CVR-nr.: 34 20 96 42

Registered company address: Ballerup

### **Board of directors:**

Alistair Robert Ballantyne Forbes  
Mariners Place  
3 Roseville Street  
Dartmouth  
Devon TQ6 9 QH  
Storbritannien

Lars Melvin Scharf  
H. C. Jeppesens Alle 9  
2670 Greve

Manish Chugh  
A/P. Sec No. 27 PL. No. 415  
Pradhikaran Nigdi  
Pune  
Indien

Prem Kumar  
P. O. Box 122834  
Dubai  
UAE

## **Company information**

### **Executive board:**

Lars Melvin Scharf

H. C. Jeppesens Alle 9

2670 Greve

### **Auditor:**

Revisionsfirmaet Jan Kristensen, Registreret Revisionsanpartsselskab

## **Management endorsement**

The board of directors and the executive board have today presented the Annual Report 2018/2019 for Zenros ApS.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act. We consider the accounting policies to be appropriate so that the financial statements give a true and fair view of the assets, liabilities, financial position and profit.

The Annual Report is recommended for approval for the Annual General Meeting.

Ballerup, 7nd of October 2019

Executive board:

Lars Melvin Scharf

Board of directors:

Alistair Robert Ballentyne Forbes

Lars Melvin Scharf

Manish Chugh

Prem Kumar

## **The Independent Practitioner's report**

**To the shareholders of Zenros ApS:**

### **Conclusion:**

We have performed an extended review of the financial statements of Zenros ApS for the financial year 1st July 2018 - 30th June 2019, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed it is our opinion that these financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31st. December, 2019 and of its financial performance for the financial year 1st July 2018 to the 30th June 2019, in accordance with the Danish Financial Statements Act.

### **Basis for conclusion:**

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review 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 rules and requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### **Management's responsibility 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 such internal control as Management determines is necessary to enable the preparation of the 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.

**Practitioner's responsibility for the extended review of the financial statements:**

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review composes procedures that primarily consist of making inquiries of Management and other within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

**Statement on the 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 extended review 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 extended review, or otherwise appears to be materially misstated.

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

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

Søborg, 7th of October 2019  
REVISIONSFIRMAET JAN KRISTENSEN  
REGISTRERET REVISIONSANPARTSSELSKAB  
CVR-nr. 35 38 36 46

Steen Storm Winther  
registered public accountant  
MNE-nr.: mne33715



## **Management report**

### **Essential business activities:**

The company's essential business activities are to develop and sell energy saving systems for buildings.

### **Development of operations and financial position:**

The company has in the financial year 2018/2019 realised a profit before tax amounted to thousand DKK 121 compared to thousand DKK -307 the year before. Profit after tax amounted to thousand DKK 95 compared to thousand DKK -254 the year before. Then, the company's equity equals thousand DKK 936.

### **Special factors relating to the financial year:**

None.

### **Events after the reporting period:**

After the reporting period no events have occurred that could significantly effect the company's financial position.

## **Applied Accounting Policy**

The annual report has been prepared in accordance with the provisions for Class B companies.

Pursuant to the exemptions provided for in the Danish Financial Statements Act section 32, the company has prepared the income statement in condensed form, so that the composition of gross profit is not shown.

### **General about recognition and measurement:**

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Company as a result of a past event has a legal or actual obligation and it is probable that future economic benefits will flow from the Company and the value of the liability can be measured reliably.

Assets and liabilities are initially recognised at cost price. Measurement has subsequently taken place as described for each item below.

By recognition and measurement predictable losses and risks, that arise before preparation of the annual report, are taken into account and which confirm or invalidate conditions existing at the balance sheet date.

In the income statement, income is recognised as it is earned, whereas costs are recognised with the amounts relating to the financial year. Value adjustments of financial assets and liabilities are recognised in the income statement as financial income or financial expenses.

### **Income Statement:**

#### **Gross profit:**

"Gross profit" includes "revenue", "Costs of goods sold/Third-party contracts", "Other operating income" and "Other external costs".

#### **Revenue:**

Revenue is recognised in the income statement as the work is performed, whereby the revenue corresponds to the selling price for the work performed. Revenue is recognised ex VAT.

## Accounting Policies - continued

### Cost of goods sold/Foreign work:

Cost of goods sold and foreign work are related to the revenue of the year.

### Other external costs:

Other external costs include costs for distribution, sales, advertisement, administration, office rent, loss on debtors etc.

### **Staff costs:**

Staff costs include wages and salaries as well as social spending etc. to the company's staff.

### **Financial entries:**

Financial entries include interest income and expenses, realized and unrealized capital gain and loss concerning debt and transactions in foreign currency, and surcharges and refunds in connection with taxes.

### **Tax:**

Tax on the taxable income is allocated by 22,0%. Additions, deductions and allowances relating to tax are included under financial entries.

Deferred tax is allocated with 22,0% of all temporary differences between book values and tax values. Adjustment of deferred tax is included in the income statement under "Tax on net profit for the year".

Deferred tax assets, including the tax value of tax loss carried forward, are recognised at the value at which the asset is expected realised, either against deferred tax liabilities or as net assets.

### **Balance sheet:**

### **Intangible fixed assets:**

Fixed assets are recognized to acquisition price with deduction of accumulated depreciation. Depreciations are based on expected economic life of the assets, and essentially the following economic life's are used when calculating the depreciations:

	<u>Useful</u>	<u>Residual value</u>
Development.....	10 år	0%

## Accounting Policies - continued

Development projects are recognised with direct costs.

Operating equipment and inventory with an acquisition price under DKK 13,800 are charged to the income statement in the year of acquisition.

Expenses for computer programmes (software) under DKK 13,800 and costs of development, customisation, etc. of computer systems are charged to the income statement in the year in which the expenditure is incurred.

Profit or loss on disposals of tangible and financial fixed assets is calculated as the difference between the selling price less selling costs and the book value at the time of sale. Profit or loss is recognised in the income statement under depreciation.

### **Impairment of assets:**

The book value of assets is recognised yearly for indication of impairment in addition to depreciations.

In case of indications of impairment, there will be an impairment test on each asset or each group of assets. There will be a write down to a lower recoverable amount if this is lower than the recognised value.

### **Receivables:**

Receivables are measured at amortised cost, which usually corresponds to the nominal value less provision for bad debts.

### **Liabilities:**

Liabilities are recognised at amortized cost, which usually corresponds to the nominal value.

### **Calculation of foreign currencies:**

Transactions in foreign currencies are initially recognised at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are measured at the exchange rate at the balance sheet date. Exchange differences arising between the transaction date and the date of payment/the balance sheet date respectively are recognised in the income statement as financial entries.

**Income Statement for the period 1st July 2018 - 30th June 2019**

<u>Note</u>		2017/ 2018	<u>TDKK</u>
	Gross profit.....	228.167	380
1	Staff costs.....	-2.398	-1
2	Depreciation, amortisation and write-downs.....	-559.958	-658
	Profit before financial entries.....	-334.189	-279
3	Financial income.....	512.892	121
	Other financial expenses.....	-57.241	-149
	Profit before tax.....	121.462	-307
4	Tax expense on ordinary activities.....	-26.047	53
	<b>Profit (loss).....</b>	<b>95.415</b>	<b>-254</b>
	Proposed distribution of net profit (loss) :		
	Proposed dividend.....	0	0
	Other statutory reserves.....	204.523	432
	Retained loss.....	-109.108	-686
	<b>Total distribution .....</b>	<b>95.415</b>	<b>-254</b>

## Balance Sheet as at 30th June 2019

### Assets

<u>Note</u>		30/6 2018 <u>TDKK</u>
	<b>Fixed assets:</b>	
5	Intangible assets:	
	Completed development projects.....	4.750.729     5.106
	Intangible assets .....	<u>4.750.729</u> <u>5.106</u>
	Investments:	
	Deposits .....	60.000     60
	Total investments .....	<u>60.000</u> <u>60</u>
	Total fixed assets .....	<u>4.810.729</u> <u>5.166</u>
	<b>Current assets:</b>	
	Inventories.....	<u>177.689</u> <u>235</u>
	Receivables:	
	Trade receivables .....	672.842     2.070
	Other receivables.....	185.093     979
	Prepayments.....	159.796     39
	Total receivables .....	<u>1.017.731</u> <u>3.088</u>
	Cash.....	<u>17.346</u> <u>5</u>
	Current assets total.....	<u>1.212.766</u> <u>3.328</u>
	<b>Assets total.....</b>	<b><u>6.023.495</u></b> <b><u>8.494</u></b>

## Balance Sheet as at 30th June 2019

### Liabilities and equity

<u>Note</u>		30/6 2018 <u>TDKK</u>
6	<b>Equity:</b>	
	Share capital.....	1.211.749      1.212
	Retained earnings.....	-1.296.444      -1.321
	Reserve for development expenditure.....	1.020.386      950
	Proposed dividend for the year.....	0      0
	Total equity .....	<u>935.691</u> <u>841</u>
	<b>Provision for liabilities:</b>	
	Provisions for deferred tax.....	<u>845.018</u> <u>819</u>
	Total provisions .....	<u>845.018</u> <u>819</u>
	<b>Liabilities:</b>	
7	<b>Long term liabilities:</b>	
	Long-term subordinate loan capital.....	1.897.604      3.836
	Convertible, profit yielding or dividend yielding long-term debt instruments	<u>373.180</u> <u>373</u>
	Total long-term liabilities .....	<u>2.270.784</u> <u>4.209</u>
	<b>Short term liabilities:</b>	
	Credit institutions.....	493.868      364
	Trade payables.....	1.066.643      2.195
	Payables to associates.....	341.568      17
	Other payables.....	<u>69.923</u> <u>49</u>
	Total short-term liabilities .....	<u>1.972.002</u> <u>2.625</u>
	Total liabilities .....	<u>4.242.786</u> <u>6.834</u>
	<b>Total liabilities and equity .....</b>	<b><u>6.023.495</u></b> <b><u>8.494</u></b>
8	Pledges, securities and contingent liabilities	

## Notes to Annual Report

		2017/ 2018	<u>TDKK</u>
1	<b>Staff costs:</b>		
	Salaries .....	0	0
	Pensions .....	0	0
	Other social security costs .....	2.398	1
		<u>2.398</u>	<u>1</u>
			2017/ <u>2018</u>
	Average number of employed persons.....	<u>1</u>	<u>1</u>
			2017/ 2018
			<u>TDKK</u>
2	<b>Depreciation, amortisation and write-downs:</b>		
	Depreciations.....	559.958	658
		<u>559.958</u>	<u>658</u>
3	<b>Financial income:</b>		
	The item includes an amount of TDKK 465 regarding remission of debt.		
4	<b>Company tax:</b>		
	Specification of company tax:		
	Tax of taxable income for the year.....	0	-19
	Regulation of tax previous year.....	0	0
	Regulation of provision for deferred tax .....	26.047	-34
		<u>26.047</u>	<u>-53</u>



## Notes to Annual Report

### 5 Assets overview:

	<u>Finished development projects</u>
Acquisition price 1st July 2018.....	6.561.428
Acquisitions of the year.....	204.523
Disposals of the year at cost price.....	<u>0</u>
Acquisition price 30th June 2019.....	<u>6.765.951</u>
Depreciations 1st July 2018.....	1.455.264
Depreciations and writedowns if the year.....	559.958
Depreciations and writedowns regarding disposal of the year.....	<u>0</u>
Depreciations and writedowns 30th June 2019.....	<u>2.015.222</u>
Book value 30th June 2019.....	<u>4.750.729</u>

### 6 Equity:

	<u>Share- capital</u>	<u>Reserve for deve- lopment- costs</u>	<u>Retained earnings</u>
Total as at 1st July 2018.....	1.211.749	949.610	-1.321.083
Profit of the year.....	0	204.523	-109.108
Depreciations of development costs....	0	-133.747	133.747
Paid dividend.....	0	0	0
Dividend of the year.....	0	0	0
Total as at 30th June 2019.....	<u>1.211.749</u>	<u>1.020.386</u>	<u>-1.296.444</u>

## Notes to Annual Report

### 6 **Equity - continued:**

	<u>Suggested dividend</u>
Total as at 1st July 2018.....	0
Profit of the year.....	0
Depreciations of development costs.....	0
Paid dividend.....	0
Dividend of the year.....	<u>0</u>
Total as at 30th June 2019.....	<u>0</u>

### **Change in share capital:**

Financial year 2012/2013.....	644.287
Financial year 2013/2014.....	160.000
Financial year 2014/2015.....	796.040
Financial year 2015/2016.....	-800.164
Financial year 2015/2016.....	<u>411.586</u>
Total as at 30th June 2019.....	<u>1.211.749</u>

### 7 **Long term liabilities:**

The company has been granted a loan of DKK 1.897.604 (subordinated loan), where lender has agreed to step back to all other debt in case of bankruptcy, forced settlement and compulsory liquidation.

DKK 0 will be due later than 5 years from the balance sheet date.

## Notes to Annual Report

### 8 **Pledges, securities and contingent liabilities:**

The company is liable for a rental obligation of TDKK 181 regarding a 16 months term of notice.

A letter of indemnity in the amount of DKK 500.000 secured on company assets. The company assets include stock, goodwill, domain name and rights according to the law of patents, the law of trademarks, the law of designs, the law of utility models, the law of patterns, the law of copyrights and the law of the production of semiconductor products design (Topography).

A bank guarantee of DKK 100.000 regarding future payments to a creditor has been provided. The guarantee expires 1st of June 2020. To provide security for the bank the company has made a deposit of DKK 100.000. The amount is part of the item "Other receivables".