

The annual report has been presented
and approved at the annual general
meeting of the Company
on / / 2021

Henrik Rossing Lønberg
(chairman)

Amminex Emissions Technology A/S
Nørrelundvej 10
2730 Herlev
Denmark
CVR no. 34 72 69 73

Annual Report 1 January - 31 December 2020

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Company Information

The Company	Amminex Emissions Technology A/S Nørrelundvej 10 2730 Herlev Denmark
	Registration no: 34 72 69 73 Established: 31 October 2012 Registered office: Herlev Financial year: 1 January - 31 December
Supervisory Board	Nicolas Franc de Ferrière (chairman) Philippe Alain Jean-Pierre Vienney Fabien Philippe Milanesi
Executive Board	Lars Tinggaard Johannesen
Auditor	Mazars State Authorised Public Accountants Midtermolen 1, 2. Tv. DK-2100 København Ø

Management's Review

Business Objective

Amminex Emissions Technology is a daughter company of the global automotive supplier Faurecia. Based in Denmark, Amminex has developed a unique technological solution for automotive emissions control. The company's Ammonia Storage and Delivery System (ASDS™) technology significantly reduces the toxic NOx emissions from diesel engines fitted with an SCR catalyst. The heart of the technology is based on the patented material AdAmmine™, which can safely store large amounts of ammonia and subsequently release it in gaseous form.

Activities in the financial year 2020

In 2020, Amminex has continued to operate its refilling operations, located in the Nyborg plant, in order to serve existing retrofitted fleet contracts in Copenhagen and London. Unfortunately, bus operations have been affected by the current COVID-19 situation which has affected the refilling sales operations in 2020.

The income statement of the Company for 2020 shows a loss of DKK 8.0 million and at 31 December 2020, the balance sheet of the Company shows a negative equity of DKK 183.8 million.

The result is in all material aspects in accordance with Management expectations.

Outlook for 2021

The main focus for 2021 is to restore stable operations in current retrofit programs in Copenhagen and London.

Management is expecting a loss of approximately DKK 10 million in 2021.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Management's Statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Amminex Emissions Systems A/S for the financial year 1 January – 31 December 2020.

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 at 31 December 2020 and of the results of the operations and cash flows for the financial year 1 January - 31 December 2020.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company as well as a description of the most significant risks and elements of uncertainty facing the Company.

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


Copenhagen, 26 February 2021

Executive Board



Lars Tinggaard Johannesen

Supervisory Board



Nicolas Franc de Ferrière
(Chairman)



Philippe Alain Jean-Pierre Vienney



Fabien Philippe Milanesi

Independent Auditor's Report

To the shareholder of Amminex Emissions Technology A/S

Opinion

We have audited the financial statements of Amminex Emissions Technology A/S for the financial year 1 January - 31 December 2020, which comprise a summary of significant accounting policies, income statement, balance sheet, cash flow statement and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position 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.

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.

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 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.

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 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.
- 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.

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, 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 Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 26 February 2021

Mazars

Statsautoriseret Revisionspartnerselskab

CVR No 31 06 17 41



Dennis Herholdt Rasmussen

State Authorised Public Accountant

Mne43413

Income Statement for the period 1 January - 31 December

	Note	2020 (DKK'000)	2019 (DKK'000)
Revenue	4	12,032	21,899
Production costs	5, 6	<u>-7,447</u>	<u>-28,212</u>
Gross loss / profit		4,585	-6,313
Research and development expenses	5, 6	-	-26,406
Administration expenses	5, 6	-5,699	-34,760
Other Income		724	7,176
Other operating expenses relating to impairments	5, 6	<u>-</u>	<u>-26,247</u>
Operating loss		-390	-86,550
Financial income		-	770
Financial expenses	7	<u>-7,652</u>	<u>-6,113</u>
Loss for the year before tax		-8,042	-91,893
Tax on profit / loss for the year	8	<u>-</u>	<u>5,496</u>
Loss for the year		<u>-8,042</u>	<u>-86,397</u>
Proposed distribution of loss			
Loss for the year		<u>-8,042</u>	<u>-86,397</u>
Retained earnings		<u>-8,042</u>	<u>-86,397</u>

Balance sheet at 31 December

	Note	2020 (DKK '000)	2019 (DKK '000)
Assets			
Software		-	47
Intangible fixed assets	9	<u>-</u>	<u>47</u>
Right-of-use assets		1,700	3,471
Plant and machinery		<u>3,543</u>	<u>4,310</u>
Tangible fixed assets	10	<u>5,243</u>	<u>7,781</u>
Total non-current assets		<u>5,243</u>	<u>7,828</u>
Inventories	11	3,430	3,470
Trade receivables	12	1,671	3,878
Other receivables	13	2,245	8,411
Receivables from related parties		721	-
Prepayments	14	-	66
Cash and cash equivalents		<u>28,994</u>	<u>35,217</u>
Total current assets		<u>37,061</u>	<u>51,042</u>
Total assets		<u><u>42,304</u></u>	<u><u>58,870</u></u>

Balance sheet at 31 December

	Note	2020 (DKK'000)	2019 (DKK'000)
Equity and liabilities			
Share capital		20,326	20,326
Retained earnings		<u>-204,085</u>	<u>-196,042</u>
Total equity		<u>-183,759</u>	<u>-175,716</u>
Lease liabilities.	15	1,084	2,702
Payables to related parties	16	<u>219,257</u>	<u>212,371</u>
Non-current liabilities		<u>220,341</u>	<u>215,073</u>
Lease liabilities.	15	268	335
Trade payables		381	229
Payables to related parties		1,268	1,225
Provisions	17	1,829	5,407
Other liabilities		<u>1,976</u>	<u>12,317</u>
Current liabilities		<u>5,722</u>	<u>19,513</u>
Total liabilities		<u>226,063</u>	<u>234,586</u>
Total equity and liabilities.		<u><u>42,304</u></u>	<u><u>58,870</u></u>
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Statement of changes in equity

	Share capital (DKK'000)	Retained earnings (DKK'000)	Total equity (DKK'000)
Equity at 1 January 2019.	<u>20,326</u>	<u>-121,829</u>	<u>-101,503</u>
Profit / loss for the year	-	-86,397	-86,397
Revaluation fixed assets	<u>-</u>	<u>12,183</u>	<u>12,183</u>
	<u>-</u>	<u>-74,214</u>	<u>-74,214</u>
Equity at 31 December 2019	<u>20,326</u>	<u>-196,043</u>	<u>-175,717</u>
Equity at 1 January 2020.	<u>20,326</u>	<u>-196,043</u>	<u>-175,717</u>
Profit / loss for the year	-	-8,042	-8,042
income for the year	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-8,042</u>	<u>-8,042</u>
Equity at 31 December 2020	<u>20,326</u>	<u>-204,085</u>	<u>-183,759</u>

In 2019 the Company made a revaluation of DKK 12 million related to the plant at Romsøvej 25, 5800 Nyborg. The transaction was recognized directly in the equity under a revaluation reserve. At the end of 2019 the plant, however, was sold and the revaluation reserve was consequently dissolved, and the revaluation amount was transferred to retained earnings.

Statement of cash flow

	Note	2020 (DKK '000)	2019 (DKK '000)
Operating profit / loss		-518	-86,550
Financial income payments		-	770
Financial expenses paid		128	-
Other adjustments		-7,652	-6113
Tax on profit / loss for the year		-	5,496
Profit / loss for the year		-8,042	-86,397
Adjustments	20	3,903	34,544
Changes in working capital	21	-6,692	5,602
Cash flow generated from operating activities		-10,831	-46,251
Purchase of intangible fixed assets		-	-36
Purchase of tangible fixed assets		-141	-5,285
Disposal of tangible fixed assets		-	22,000
Cash flow generated from investing activities		-141	16,679
Tax credit payments		5,500	5,500
Repayments lease liabilities		-751	-
Borrowings		-	37,858
Cash flow generated from financing activities total		4,749	43,358
Cash flow generated from operating, investing, and financing activities in the year		-6,223	13,786
Cash at 1 January		35,217	21,431
Cash at 31 December		28,994	35,217

The Statement of Cash Flow cannot be derived directly from the Balance Sheet and Income Statement.

Notes

Note 1 - Accounting policies

Change in accounting policies

The annual report of Amminex Emissions Technology A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to class B entities as well as selected provisions of reporting class C.

For all periods up to and including the year ended 31 December 2019, the Company prepared its financial statements in accordance with the International Financial Reporting Standards (IFRS).

The change in accounting framework have affected presentation and disclosure. In all significant matters the change has had no impact on earnings, equity or balance sheet for the current year or the comparative figures.

Translation of foreign currency

The amounts in the financial statements are denominated in DKK.

Transactions denominated in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising between the rate on the date of transaction and the rate on the payment day are recognized in the income statement as a financial item.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated by applying the exchange rates at the balance sheet date. Differences arising between the rate at the balance sheet date and the rate at the date of the arising of the receivable or payable are recognized in the income statement under financial income and expenses.

Fixed assets purchased in foreign currencies are measured at the rate of the date of transaction.

The income statement

Revenue

Revenue is recognized in the income statement if delivery and transfer of control have taken place before the end of the year and if the income can be measured reliably and is expected to be paid in fully. Revenue is measured less VAT and taxes related to the sale and comprise sale of products and services including prototypes and expert advice in connection with test of prototypes.

Notes

Note 1 - Accounting policies (continued)

Grants received for research and development are recognized when the grant has been received and the costs related to the project related to the grant have been incurred.

Production cost

Production cost comprises expenses related to creating revenue for the year. Among these are cost of sales and indirect production cost, amortization/depreciation, wages and salaries and share based remuneration.

Research and development expenses

Research and development expenses comprise expenses for research and development which do not meet the criteria for capitalization, including amortization/depreciation, wages and salaries.

Administration expenses

Administration expenses comprise expenses for administrative personnel, management, office premises, office expenses etc. including amortization / depreciation, wages and salaries and share-based remuneration.

Other operating expenses

Other operating expenses comprise expenses related to impairments of intangible and tangible assets.

Other Income

Other Income comprises income that is not directly related to revenues derived from ordinary activities such as product sales and grants. Other income contains e.g. sale of fixed assets.

Net financials

Financial income and financial expenses are recognized in the income statement with the amounts related to the financial year. Financial income and financial expenses include interest receivable and payable, exchange gains and losses on debt and transactions denominated in foreign currencies and extra charges related to the Danish Scheme for Payment of Tax on Account etc.

Tax on profit/loss for the year

Tax on profit/loss for the year which comprises current tax and changes in deferred tax is recognized in the income statement with the portion of taxes related to the taxable income for the year whereas the portion attributable to entries on equity is recognized directly in equity. Furthermore, any changes relating to previous years are recognized.

The statement of financial position

Intangible assets with a limited useful life

Intangible assets with a limited useful life are measured at cost with deduction of accumulated amortization or recoverable value, if lower.

Acquired intangible assets consisting of proprietary patents are measured at cost with deduction of accumulated amortization and impairment. Patents are amortized over the remaining life of the patent which generally is 20 years from the registration of the patent.

Notes

Note 1 - Accounting policies (continued)

Software is depreciated over the expected financial useful life from the completion of the product.

Intangible assets with a limited useful life are amortized under the straight-line method over the expected useful lives of the assets. The amortization periods are as follows:

Software	3 years
Proprietary patents, up to	20 years

Intangible assets with a limited useful life are tested for impairment on a yearly basis.

Tangible assets

Plant and machinery are measured at cost less accumulated depreciation.

Cost comprises acquisition price and costs directly related to acquisition as well as expenses for preparation of the asset until the time when the Company starts using the asset less any received grants.

The basis of depreciation is cost less expected residual value after completed useful life. The residual value is determined at the time of acquisition and is assessed annually. If residual value exceeds the asset's carrying amount the depreciation stops.

Assets are depreciated under the straight-line method over the expected useful lives of the assets. The depreciation periods are as follows:

Plant and machinery	7-10 years
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In case of changes in the depreciation period or the residual value the effect of the depreciation is recognized as a change in accounting estimates.

Leases related to tangible assets are measured in the statement of financial position as assets. On initial recognition, the assets are valued at computed cost equal to fair value or (if lower) at the (net) present value of future lease payments. In the computation of the (net) present value either the interest rate implicit in the lease is applied as the discount rate or an approximated value. Assets held under finance leases are depreciated as other similar tangible assets, though the asset is depreciated over the lease term. All other leases are considered operational leasing. Services in connection with operational leasing are recognized on a linear basis in the income statement during the leasing period.

The capitalized residual lease obligation is recognized in the statement of financial position as a liability other than provisions and the interest element in the lease payment is recognized in the income statement over the lease term.

Notes

Note 1 - Accounting policies (continued)

Gains or losses arising from the disposal of tangible assets is determined as the difference between the selling price less selling cost and the carrying amount at the time of sale. Profit or loss is recognized in the income statement as other income or other costs.

Impairment of long-term assets

The carrying amount of tangible assets is examined annually to determine if there is indication of impairment apart from that which is expressed through normal depreciation. If this is the case impairment is made at the lower recoverable amount.

The recoverable amount is determined as the highest value of the net selling price and the value in use. If it is not possible to determine a recoverable amount for each asset, the assets are assessed collectively in the smallest group of assets in which a reliable recoverable amount can be determined (CGU – Cash Generating Unit).

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost is determined using the Standard cost method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Receivables

Receivables are measured at amortized cost which usually equals nominal value. Provisions are made for losses according to the expected credit loss model. Any impairment is recognized in the income statement as administrative expenses.

Prepayments

Prepayments recognized under assets comprise incurred expenses related to the following financial year.

Equity

Proposed dividend is recognized as a liability on approval by the annual general meeting.

Dividends expected to be distributed for the year are shown as a separate item under equity.

Tax payable and deferred tax

Current tax liabilities and current tax receivable are recognized in the statement of financial position as tax calculated on the taxable income for the year adjusted for tax on previous years' taxable income and taxes paid on account / prepaid.

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

Deferred tax assets including the tax value of tax loss carry-forwards are measured at the expected realisable value, either by elimination in tax on future earnings or by set-off against deferred tax liabilities. Any deferred net tax assets are measured at net realisable value.

Notes

Note 1 - Accounting policies (continued)

Deferred tax is measured on the basis of the tax rules and tax rates in force at the balance sheet date when the deferred tax is expected to materialise as current tax. Any changes in deferred tax as a consequence of amendments to tax rates are recognized in the income statement.

Liabilities other than provisions

Financial liabilities other than provisions are initially recognized at cost equalling proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities other than provisions are measured at amortized cost corresponding to the capitalized value using the effective interest method; consequently, the difference between the proceeds and the nominal value is recognized in the income statement over the maturity period of the loan.

Other payables are measured at amortized cost corresponding to nominal value.

Provisions

Provisions are measured at the present value of the anticipated expenditure for settlement of the legal or constructive obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

Cash flow statement

The cash flow statement shows the Company's cash flow for the year from operating, investment and financing activities for the year, total change of cash for the year and cash at the beginning and end of the year.

Cash flow from operating activities is computed as operating profit adjusted for non-cash operating items, change in working capital and income taxes paid.

Cash flow from investment activities comprises payments in connection with acquisition and divestment of intangible and tangible assets.

Cash flow from financing activities comprises changes in the size or composition of the Company's share capital and costs involved, rising of loans, repayment on interest-bearing debt and payment of dividend to shareholders.

Cash comprises cash and deposits in credit institutions.

Notes

Note 2 – Accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Valuation of the Company's assets and liabilities has been made under Management's assumption that the Company is a going concern. If the Company is not a going concern valuation of assets and liabilities may be significantly different.

Impairment of assets

Management has examined the necessity of potential impairment of the acquired intangible and tangible assets and according to Management, there is no indication on impairment.

Note 3 – The company's financial position

There is no material uncertainty concerning the Company's ability to continue its operations as a going concern.

Faurecia Exhaust International SAS has issued a letter of financial support effective until at least 31 December 2021.

As a result of the above, Management has prepared the Annual Report for the financial year 2020 on a going concern basis.

Note 4 – Revenue

	2020 (DKK '000)	2019 (DKK '000)
Product sales	11,639	21,152
Engineering sales	<u>393</u>	<u>747</u>
Total revenue	<u>12,032</u>	<u>21,899</u>

During the year, the Company received grants from the Technical University of Denmark. There are no liabilities or unfulfilled conditions related to the recognized grants.

Notes

Note 5 – Staff cost

	2020 (DKK '000)	2019 (DKK '000)
<i>The total staff costs consist of:</i>		
Wages and salaries	4,051	48,322
Expenses related to social security	31	342
Other staff cost	<u>120</u>	<u>968</u>
	<u>4,202</u>	<u>49,632</u>
Average number of employees	<u>14</u>	<u>55</u>
<i>Staff costs is included in the income statement in the following functions:</i>		
Production costs	2,481	4,798
Research and development expenses	-	19,334
Administration expenses	<u>1,721</u>	<u>25,500</u>
	<u>4,202</u>	<u>49,632</u>
Note 6 – Amortization depreciation and impairment		
Amortization and impairment, intangible assets	47	2,170
Depreciation and impairment, tangible assets	<u>1,417</u>	<u>26,247</u>
Amortization / depreciation and impairment, total	<u>1,464</u>	<u>28,417</u>
<i>Amortization and depreciation are included under these functions:</i>		
Productions costs	1,287	28,220
Administration expenses	<u>177</u>	<u>197</u>
Amortization / depreciation and impairment, total	<u>1,464</u>	<u>28,417</u>
Note 7 – Financial expenses		
Interest, bank, creditors and leasing	164	66
Exchange rate adjustment	559	8
Interest, group entities	<u>6,929</u>	<u>6,039</u>
	<u>7,652</u>	<u>6,113</u>

Notes

Note 8 – Tax on profit / loss for the year

Adjustment on deferred tax	-	-5,496
Tax on profit / loss for the year, total	-	-5,496

The corporate tax rate constitutes 22% (2019: 22%)

The deferred tax asset is recognized in the statement of financial position with the portion that is expected to be used within a period of 3-5 years. The deferred tax asset is recognized in the statement of financial position as of 31 December 2020 with KDKK 0 (2019: KDKK 5,496). Deferred tax asset primarily relates to taxable losses. The tax losses can be carried forward indefinitely.

The Company has not recognized a contingent asset consisting of a deferred tax asset with a potential value of KDKK 51,344 (2019: KDKK 49,501). The deferred tax asset has not been recognized, as it is uncertain whether the tax asset can be used within a period of 3-5 years.

Note 9 – Intangible assets

	Software (DKK'000)	Proprietary Patents (DKK'000)	Total (DKK'000)
Cost at 1 January 2019	3,011	23,537	26,548
Addition	36	-	36
Cost at 31 December 2019	<u>3,047</u>	<u>23,537</u>	<u>26,584</u>
Depreciation and impairment at 1 January 2019	726	23,537	24,263
Amortization for the year	272	-	272
Impairment for the year	2,002	-	2,002
Amortization and impairment at 31 December 2019	<u>3,000</u>	<u>23,537</u>	<u>26,537</u>
Carrying amount 31 December 2019	<u><u>47</u></u>	<u><u>-</u></u>	<u><u>47</u></u>
Cost at 1 January 2020	3,047	23,537	26,584
Additions	<u>-</u>	<u>-</u>	<u>-</u>
Cost at 31 December 2020	<u>3,047</u>	<u>23,537</u>	<u>26,584</u>
Depreciation and impairment at 1 January 2020	3,000	23,537	26,537
Amortization for the year	47	-	47
Amortization and impairment at 31 December 2020	<u>3,047</u>	<u>23,537</u>	<u>26,584</u>
Carrying amount 31 December 2020	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

During 2020, intangible assets have been examined for impairment. All assets are considered having a value which as a minimum equals the carrying amount, and as such no impairment has been registered by Management (further information on impairment in Note 2).

Notes

Note 10 – Tangible assets

	Land and Buildings (DKK '000)	Plant and Machinery (DKK '000)	Right-of-use- Assets (DKK '000)	Total (DKK '000)
Cost at 1 January 2019	9,033	35,630	-	44,663
Revaluation	12,182	-	-	12,182
Addition	98	1,716	3,471	5,285
Disposal	-21,313	-	-	-21,313
Cost at 31 December 2019	-	37,346	3,471	40,817
Depreciation and impairment at 1 January 2019	2,346	7,664	-	10,010
Depreciation for the year	639	1,259	-	1,898
Impairment for the year	132	24,113	-	24,245
Disposal	-3,117	-	-	-3,117
Depreciation and impairment at 31 December 2019	-	33,036	-	33,036
Carrying amount 31 December 2019	-	4,310	3,471	7,781
Cost at 1 January 2020	-	37,346	3,471	40,817
Addition	-	141	-	141
Cost at 31 December 2020	-	37,487	3,471	40,958
Depreciation and impairment at 1 January 2020	-	33,036	-	33,036
Correction due to contract changes	-	-11	1,273	1,262
Depreciation for the year	-	919	498	1,417
Depreciation and impairment at 31 December 2020	-	33,944	1,771	35,715
Carrying amount 31 December 2020	-	3,543	1,700	5,243

In 2019 the Company has disposed the plant at Romsøvej 25, 5800 Nyborg.

Under the going concern assumption, Management has not identified impairment indicators in 2020 regarding tangible assets (further information on impairment in Note 2).

Notes

	2020 (DKK '000)	2019 (DKK '000)
Note 11 – Inventories		
Inventories	7,250	7,390
Write-down as of 31 December	<u>-3,820</u>	<u>-3,920</u>
Carrying amount 31 December.	<u>3,430</u>	<u>3,470</u>

Inventories recognised as an expense during the year ended 31 December 2020 amounted to KDKK 4,243 (2019: KDKK 12,585). These were included in cost of sales and cost of providing services. Write-downs of inventories to net realisable value amounted to KDKK 3.820 (2019: KDKK 3,920).

Note 12 - Trade receivables

Trade receivables	<u>1,671</u>	3,878
Carrying amount 31 December	<u>1,671</u>	<u>3,878</u>

Trade receivables are allocated as follows:

Not yet due	1,663	3,560
Up to 30 days overdue	8	293
Between 30 and 90 days overdue	-	25
More than 90 days overdue	<u>-</u>	<u>-</u>
Carrying amount 31 December.	<u>1,671</u>	<u>3,878</u>

Securities for trade receivables have not been received.

Management has examined the Company's trade receivables for indication of impairment. After individual assessment of the receivables, provisions for losses have not been made.

Notes

Note 13 – Other receivables

Other receivables consist primarily of Company Tax, VAT receivable and deposits regarding leased premises. After individual assessments of the receivables or portfolios of receivables, provisions for losses have not been made.

Note 14 – Prepayments

Prepayments recognized under assets comprise paid incurred expenses related to future financial years.

Note 15 – Leases

	2020 (DKK'000)	2019 (DKK'000)
<i>Right-of-use assets:</i>		
Buildings	1,700	3,454
Plant and Machinery	<u>-</u>	<u>17</u>
	<u>1,700</u>	<u>3,471</u>
 <i>Lease liabilities:</i>		
Current	268	335
Non-current	<u>1,084</u>	<u>2,702</u>
	<u>1,352</u>	<u>3,037</u>

The Company has adopted IFRS 16 1 January 2019 and its current lease obligations as of 31 December 2020 regarding housing are related to production buildings with a production purpose in Nyborg and office buildings with an administrative purpose in Herlev. The company also has a lease obligation regarding its production refill equipment. All lease engagements have been concluded in 2019. In 2020 the lease obligation regarding Nyborg was amended which has led to a reduction of the rented areas. Subsequently the lease obligation has been reduced accordingly.

Notes

	2020 (DKK '000)	2019 (DKK '000)
Note 16 – Payables to related parties and other borrowings		
<i>The liabilities are due in this order:</i>		
Within a year	-	-
Between one and five years	219,257	212,371
More than five years	<u>-</u>	<u>-</u>
Carrying amount 31 December	<u>219,257</u>	<u>212,371</u>

Payables to related parties carry an interest based on CIBOR 1 month+3.50%.

Note 17 – Provisions

Carrying amount at 1 January.	5,407	5,948
Additional provisions / fair value adjustments	<u>-3,579</u>	<u>-541</u>
Carrying amount at 31 December	<u>1,828</u>	<u>5,407</u>

Provisions consist of primarily holiday pay as at 31 December relating to employees with paid holiday and other payroll related items.

Note 18 - Assets charged or otherwise provided as security

As of 31st December 2020, the Company has made a bank guarantee towards a third party of KDKK 0 (2019: KDKK 621). The company has a floating charge registered as an owner's mortgage.

Note 19 - Related parties

Amminex Emissions Technology A/S' related parties with considerable influence comprise members of the Supervisory Board and the Executive Board as well as persons related to these. Furthermore, related parties also comprise companies in which the above-mentioned group of people has significant interests.

During the financial year 2020 Amminex Emissions Technology A/S has not entered into agreements or in other ways completed transactions in which the Company's Supervisory Board or Executive Board have financial interest apart from transactions related to the terms of employment.

Controlling influence

Faurecia Exhaust International SAS, Nanterre, France (where the Company is included in the consolidated financial statement)

Ownership

At the date of this annual report the following shareholders are registered in the Company's register of shareholders as being owners of minimum 5% of the voting rights or minimum 5% of the share capital:

Faurecia Exhaust International SAS, Nanterre, France
 Nordea-Fonden, Copenhagen, Denmark

Notes

Note 19 - Related parties (Continued)

	2020 (DKK '000)	2019 (DKK '000)
<i>Significant transactions with related parties</i>		
Sale of products and services to Faurecia Exhaust International SAS	219	4,585
Receivables from Faurecia Exhaust International SAS as of 31 December	721	679
Group interests to Faurecia Exhaust International SAS	6,887	5,875
Borrowings from Faurecia Exhaust International SAS as of 31 December	220,614	213,596

The above-mentioned transactions have been entered into on market terms.

No other transactions with related parties have been made in the financial year, which are either significant or not entered into on market terms.

Amminex is ultimately owned by The Faurecia Group as of the end of 2020.

Note 20 – Changes in working capital

	2020 (DKK '000)	2019 (DKK '000)
Decrease (+)/Increase (-) in inventories	41	5,396
Decrease (+)/Increase (-) in receivables	3,351	-1,161
Decrease (-)/Increase (+) in payables	-10,594	2,354
Decrease (-)/Increase (+) in prepayments	510	-987
Changes in working capital	<u>-6,692</u>	<u>5,602</u>

Note 21 – Adjustments

	2020 (DKK '000)	2019 (DKK '000)
Amortization/depreciation and impairment	1,464	2,170
Right-of-use assets/other IFRS16 adjustments	-869	3,471
Loan interests	6,887	5,918
Profit and loss disposal of assets	-	23,526
Provisions	-3,579	-541
Adjustments	<u>3,903</u>	<u>34,544</u>

Notes

Note 22 – Financial and operational risk

Financial risk

As a consequence of the Company's operation, investments and financing, the Company is exposed to changes in exchange rates and interest rate levels. The Company's financial risks are controlled by the daily management.

The extent and nature of the company's financial instruments appear from the income statement and the balance sheet position in accordance with the applied accounting policies. Below is information regarding circumstances which may affect amounts, payment dates or the reliability of future payments, when these do not appear directly in the financial statements or is a result of common practice.

Present note addresses the Company's financial risks, which are related directly to the Company's financial instruments. At present, the Company does not use embedded derivatives.

Currency risk

The Company is exposed towards British Pound Sterling. Measurements related to the majority of these sales activities (approximately 90%), however, have been installed in order to eliminate currency fluctuations derived from such sales activities. Furthermore, the Company is in close dialogue with its British partners over the consequences of the Brexit outcome.

No other significant currency risk occur at the balance sheet date as the majority of the Company's other receivables and payables are booked in either DKK or EUR.

Interest risk

The Company has loan financing based on both variable and fixed interest rate. It is the Management's opinion that this does not constitute any significant risk.

Credit risk

The company's credit risk is related to the financial assets mentioned below, which is presented in the statement of financial position:

	2020 (DKK'000)	2019 (DKK'000)
Trade receivables	1,671	3,878
Other receivables	-	8,411
Cash and cash equivalents	<u>28,994</u>	<u>35,217</u>
Total	<u>30,665</u>	<u>47,506</u>

The above-mentioned financial assets have been assessed for impairment. Provisions for loss or impairment have not been made in this connection as impairment indicators have not been identified by Management. All receivables are due within one year.

It is the Management's opinion that the Company as of 31 December 2020 is not exposed to any significant credit risks as the majority of the Company's trade receivables are related to receivables from counter parties who are either public companies or shareholders in Amminex Emissions Technology A/S with an assessed high credit rating.

Liquidity risk

The Company is monitoring liquidity risk and liquidity needs by monitoring planned payments and by means of monthly cash flow budgets and monitoring of both ingoing and outgoing day-to-day payments. Long-term liquidity needs on a yearly basis are identified on a monthly basis.

Net capital requirement is assessed regularly in correlation with the Company's credit limit to identify any additional capital requirement.

The Company's management is monitoring the liquidity needs on a regular basis and is of the opinion that the Company has sufficient financing to ensure a positive development of the Company and sustain an adequate level of quality in commercial activities and in research and development activities. However, reference is made to note 3 regarding future financing issues.

The Company has continued the commercial sales during 2020 and has adapted its cost base. As a consequence, the Management is expecting a cash flow close to break-even in 2021. The Company will not be dependent on further funding from the shareholders during 2021.

The Company's capital structure is aimed towards:

- Ensuring the Company's ability to continue as going concern
- Ensuring a sufficient return to the shareholders on a longer term

Amminex Emissions Technology A/S' capital structure is characterized by significant shareholder loan financing.

Operational risk

Since commercial sales activities will be at a moderate level during 2021 the operational risk is still regarded as low at present.

Note 23 - Events after the balance sheet date

No significant events have occurred after the balance sheet date.

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Henrik Rossing Lønberg

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