

DP Cleantech Global Engineering Services ApS

Marielundvej 43 A

2730 Herlev

CVR No. 35140492

Annual Report 2018

6. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 9 April 2019

Jens Schaltz Bertelsen
Chairman

DP Cleantech Global Engineering Services ApS

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Management's Statement

Today, Management has considered and adopted the Annual Report of DP Cleantech Global Engineering Services ApS for the financial year 1 January 2018 - 31 December 2018.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January 2018 - 31 December 2018.

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

Herlev, 9 April 2019

Executive Board

Jens Schaltz Bertelsen
CEO

Independent Auditor's Report

To the shareholders of DP Cleantech Global Engineering Services ApS

Opinion

We have audited the financial statements of DP Cleantech Global Engineering Services ApS for the financial year 1 January 2018 - 31 December 2018, which comprise an income statement, balance sheet and notes. 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 Company's financial position at 31 December 2018 and of the results of its operations for the financial year 1 January 2018 - 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in our auditors' report under "Auditors' responsibility for the audit of the financial statements". As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, 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 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 for such internal control as Management considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Statement on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Kongens Lyngby, 9 April 2019

Fetterlein registreret revisionsanpartsselskab

CVR-no. 36081848

Claus Jørn Fetterlein

Registered Public Accountant

mne2674

DP Cleantech Global Engineering Services ApS

Company details

Company	DP Cleantech Global Engineering Services ApS Marielundvej 43 A 2730 Herlev
CVR No.	35140492
Date of formation	13 March 2013
Financial year	1 January 2018 - 31 December 2018
Executive Board	Jens Schaltz Bertelsen, CEO
Auditors	Fetterlein registreret revisionsanpartsselskab Bagsværdvej 82 2800 Kongens Lyngby CVR-no.: 36081848
Bank	Jyske Bank Herlev Hovedgade 108 2730 Herlev

Management's Review

The Company's principal activities

The Company's material activities comprise sales, project, and engineering activities related to biomass power plant solutions in the renewable energy sector.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2018 - 31 December 2018 shows a result of DKK 1.541.926 and the Balance Sheet at 31 December 2018 a balance sheet total of DKK 9.089.586 and an equity of DKK 3.963.752.

Expectations for the future

The Company complies with the prepared budget for 2019 and Management expects a positive result for the financial year 2019.

Risks

The Company is not exposed to any particular business or financial risk apart from, to a small extent, being exposed to changes in currency levels on transactions in foreign currency.

Accounting Policies

Reporting Class

The Annual Report of DP Cleantech Global Engineering Services ApS for 2018 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Annual Report has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in Danish crowns.

General Information

Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Revenue

Income from delivery of services is recognised as revenue as the service is delivered.

Other external expenses

Other external expenses comprise expenses regarding sale and administration.

Accounting Policies

Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

Amortisation and impairment of tangible and intangible assets

Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-10 years	0%
Leasehold improvements	5 years	0%

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, dividends received from other equity investments, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax repayment scheme.

Tax on net profit/loss for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Tangible assets

Tangible assets are measured at cost plus revaluations, if any, and less accumulated amortisation and impairment losses. Cost comprises the purchase price and costs directly attributable to the purchase until the date when the asset is available for use.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Financial liabilities

Fixed-rate loans such as mortgage loans and loans from credit institutions are recognised initially at the proceeds received less transaction expenses incurred. In subsequent periods, loans are measured at amortised cost so that the difference between the proceeds and the nominal value is recognised in the Income Statement as an interest

Accounting Policies

expense over the term of the loan.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2018 kr.	2017 kr.
Gross profit		7.011.811	5.074.831
Employee benefits expense	1	-5.332.476	-4.491.593
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-6.712	-16.619
Profit from ordinary operating activities		1.672.623	566.619
Other finance income	2	0	21.987
Finance expenses	3	-130.697	-348.132
Profit from ordinary activities before tax		1.541.926	240.474
Tax expense on ordinary activities		0	0
Profit		1.541.926	240.474
 Proposed distribution of results			
Retained earnings		1.541.926	240.474
Distribution of profit		1.541.926	240.474

Balance Sheet as of 31 December

	Note	2018 kr.	2017 kr.
Assets			
Fixtures, fittings, tools and equipment	4	0	1.899
Leasehold improvements	5	20.857	25.670
Property, plant and equipment		20.857	27.569
Deposits, investments		84.007	81.958
Investments		84.007	81.958
Fixed assets		104.864	109.527
Short-term trade receivables		0	95.435
Short-term receivables from group enterprises		8.099.829	2.663.890
Other short-term receivables		696.118	333.081
Deferred income		9.000	0
Receivables		8.804.947	3.092.406
Cash and cash equivalents		179.775	204.159
Current assets		8.984.722	3.296.565
Assets		9.089.586	3.406.092

Balance Sheet as of 31 December

	Note	2018 kr.	2017 kr.
Liabilities and equity			
Contributed capital	6	100.000	100.000
Retained earnings	7	3.863.752	2.321.826
Equity		<u>3.963.752</u>	<u>2.421.826</u>
Trade payables		586.826	107.563
Payables to group enterprises		3.802.490	0
Other payables		736.518	876.703
Short-term liabilities other than provisions		<u>5.125.834</u>	<u>984.266</u>
Liabilities other than provisions within the business		<u>5.125.834</u>	<u>984.266</u>
Liabilities and equity		<u>9.089.586</u>	<u>3.406.092</u>
Contingent liabilities	8		
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Notes

	2018	2017
1. Employee benefits expense		
Wages and salaries	5.241.733	4.371.799
Social security contributions	44.109	30.351
Other employee expense	46.634	89.443
	5.332.476	4.491.593
Average number of employees	8	6
 2. Finance income		
Other finance income	0	21.987
	0	21.987
 3. Finance expenses		
Other finance expenses	130.697	348.132
	130.697	348.132
 4. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	99.972	226.222
Disposal during the year	0	-126.250
Cost at the end of the year	99.972	99.972
Depreciation and amortisation at the beginning of the year	-98.073	-178.851
Amortisation for the year	-1.899	-11.806
Reversal of impairment losses and amortisation of disposed assets	0	92.584
Impairment losses and amortisation at the end of the year	-99.972	-98.073
Carrying amount at the end of the year	0	1.899
 5. Leasehold improvements		
Cost at the beginning of the year	48.131	48.131
Cost at the end of the year	48.131	48.131
Depreciation and amortisation at the beginning of the year	-22.461	-17.648
Amortisation for the year	-4.813	-4.813
Impairment losses and amortisation at the end of the year	-27.274	-22.461
Carrying amount at the end of the year	20.857	25.670

Notes

	2018	2017
6. Contributed capital		
Balance at the beginning of the year	100.000	100.000
Balance at the end of the year	<u>100.000</u>	<u>100.000</u>

The Company was established on 13 March 2013 with a capital of DKK 80,000

7. Retained earnings		
Balance at the beginning of the year	2.321.826	2.081.352
Additions during the year	1.541.926	240.474
Balance at the end of the year	<u>3.863.752</u>	<u>2.321.826</u>

8. Contingent liabilities

A contingent liability exists regarding the rental. At the balance sheet date it amounts to 6 months lease or DKK 80,000 including VAT.

9. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

10. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital:
DP Clean Tech (Hong Kong) Limited, 33/F Shui On Centre, No 6-8 Harbour Road, Wanchai, Hong Kong.

11. Related parties

DP Clean Tech (Hong Kong) Limited, Hong Kong - Immediate Parent
Silverrock Group Limited, British Virgin Islands - Ultimate Parent