

DP Cleantech Global Engineering Services ApS

Marielundvej 43 A

2730 Herlev

CVR No. 35140492

Annual Report 2019

7. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 5 October 2020

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 2019 - 31 December 2019.

The result of the year -962,103 DKK is considered satisfactory. It should be mentioned, that the loss of the year is caused by a writedown of a receivable at a group company of 2,336,529 DKK.

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 2019 and of the results of the Company's operations for the financial year 1 January 2019 - 31 December 2019.

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

Herlev, 5 October 2020

Executive Board

Jens Schaltz Bertelsen
CEO

Independent Auditors' 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 2019 - 31 December 2019, 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 2019 and of the results of its operations for the financial year 1 January 2019 - 31 December 2019 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 Auditors' 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, 5 October 2020

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
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 2019 - 31 December 2019 shows a result of DKK -962.103 and the Balance Sheet at 31 December 2019 a balance sheet total of DKK 4.428.201 and an equity of DKK 3.001.649.

Post financial year events

During the Covid-19 period in 2020 the financial support from the group enterprises has not always been available in due time.

Expectations for the future

The Company complies with the prepared budget for 2020 and Management expects a positive result for the financial year 2020.

Risks

The Company is exposed to a financial risk if DP Clean Tech (Hong Kong) Limited fails to deliver according to its current intention to support to finance the operations.

Accounting Policies

Reporting Class

The Annual Report of DP Cleantech Global Engineering Services ApS for 2019 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

The financial statement have been prepared under the historical cost princip.

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.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operation income, cost of raw and consumables and other external expenses.

Accounting Policies

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive of VAT and net of sales discounts.

Income from delivery of services is recognised on a straight-line basis in net sales, as the service is delivered.

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises, loss of debtors, operating leasing costs etc.

Staff expenses

Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, 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 based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Tax on net profit 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.

Accounting Policies

Balance Sheet

Tangible assets

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Receivables

Receivables are measured at amortised cost. Write-downs are made to cover losses where an objective is assessed to have occurred indication that a receivable is impaired. If there is an objective indication that a individual receivable is impaired, write-downs are made at individual level.

Impairment losses are calculated as the difference between the carrying amount of receivables and the present value of the expected cash flows, including the realizable value of any received collateral. The effective interest rate for the individual receivable is used as the discount rate or portfolio. Please see note 2.

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.

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

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.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Accounting Policies

Contingent assets and liabilities

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

Income Statement

	Note	2019 kr.	2018 kr.
Gross profit		6.637.468	7.017.108
Employee benefits expense	1	-5.254.312	-5.332.476
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-4.800	-6.712
Writedowns of current assets, that exceed normal writedowns	2	-2.336.529	0
Profit from ordinary operating activities		-958.173	1.677.920
Other finance income	3	3.601	0
Finance expences	4	-7.531	-135.994
Profit from ordinary activities before tax		-962.103	1.541.926
Profit		-962.103	1.541.926
Proposed distribution of results			
Retained earnings		-962.103	1.541.926
Distribution of profit		-962.103	1.541.926

Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
Assets			
Fixtures, fittings, tools and equipment	5	0	0
Leasehold improvements	6	16.057	20.857
Property, plant and equipment		16.057	20.857
Deposits, investments		86.107	84.007
Investments		86.107	84.007
Fixed assets		102.164	104.864
Short-term receivables from group enterprises		3.952.032	8.099.829
Other short-term receivables		86.378	446.118
Deferred income		0	9.000
Receivables		4.038.410	8.554.947
Cash and cash equivalents		287.627	429.775
Current assets		4.326.037	8.984.722
Assets		4.428.201	9.089.586

Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
Liabilities and equity			
Contributed capital	7	100.000	100.000
Retained earnings	8	2.901.649	3.863.752
Equity		3.001.649	3.963.752
Trade payables		117.177	586.826
Payables to group enterprises		181.956	3.802.490
Other payables		1.127.419	736.518
Short-term liabilities other than provisions		1.426.552	5.125.834
Liabilities other than provisions within the business		1.426.552	5.125.834
Liabilities and equity		4.428.201	9.089.586
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Notes

	2019	2018
1. Employee benefits expense		
Wages and salaries	5.167.022	5.241.733
Social security contributions	50.186	44.109
Other employee expense	37.104	46.634
	5.254.312	5.332.476
Average number of employees	8	8
2. Writedowns of current assets, that exceed normal writedowns		
Imparment of receiveables at DPCT Thailand, 100%	2.336.529	0
Imparment Total	2.336.529	0
3. Finance income		
Other finance income	3.601	0
	3.601	0
4. Finance expenses		
Other finance expenses	7.531	135.994
	7.531	135.994
5. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	99.972	99.972
Cost at the end of the year	99.972	99.972
Depreciation and amortisation at the beginning of the year	-99.972	-98.073
Amortisation for the year	0	-1.899
Impairment losses and amortisation at the end of the year	-99.972	-99.972
Carrying amount at the end of the year	0	0
6. 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	-27.274	-22.461
Amortisation for the year	-4.800	-4.813
Impairment losses and amortisation at the end of the year	-32.074	-27.274
Carrying amount at the end of the year	16.057	20.857

Notes

	2019	2018
7. Contributed capital		
Balance at the beginning of the year	100.000	100.000
Balance at the end of the year	100.000	100.000

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

8. Retained earnings

Balance at the beginning of the year	3.863.752	2.321.826
Additions during the year	-962.103	1.541.926
Balance at the end of the year	2.901.649	3.863.752

9. Uncertainties relating to going concern

The company is depending on a monthly cash support from the modercompany. However DP Clean Tech (Hong Kong) Limited has provided a letter of financial support in order to support the operations untill June 30 2021.

10. 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.

11. Collaterals and securities

The deposit account in Jyske Bank, DKK 250,000 is pledged as security for withdraw on Mastercard.

12. 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.

13. Related parties

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