

Rencat ApS

c/o Bjarne Henning Jensen Oksemosen 10
2840 Holte

CVR no. 36 39 72 68

Annual report 2020

The annual report was presented and approved at the
Company's annual general meeting on

5 July 2021

Debasish Chakraborty
Chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Rencat ApS for the financial year 1 January – 31 December 2020.

The annual report, which has not been audited, is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

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

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

Holte, 5 July 2021
Executive Board:

Debasish Chakraborty

Board of Directors:

Bjarne Henning Jensen
Chairman

Debasish Chakraborty

Ib Chorkendorff

The general meeting has decided that the financial statements for the coming year will not be audited. Management confirms that the Company fulfills the requirements to be exempt of audit.



Auditor's report on the compilation of financial statements

To the Management of Rencat ApS

We have compiled the financial statements of Rencat ApS for the financial year 1 January – 31 December 2020 based on the Company's bookkeeping records and other information provided by you.

The financial statements comprise income statement, balance sheet and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 *Engagements to Compile Financial Statements*.

We have applied our professional expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with the independence and other ethical requirements of the IESBA Codes of Ethics, which is based on fundamental principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion as to whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 5 July 2021

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

Rencat ApS
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Management's review

Company details

Rencat ApS
c/o Bjarne Henning Jensen Oksemosen 10
2840 Holte

CVR no.:	36 39 72 68
Established:	8 December 2016
Financial year:	1 January – 31 December

Board of Directors

Bjarne Henning Jensen, Chairman
Debasish Chakraborty
Ib Chorkendorff

Executive Board

Debasish Chakraborty

Management's review

Operating review

Principal activities

Rencats main activity is to commercializing a patent pending fuel processing technology to process ammonia to Proton Exchange Fuel Cell (PEMFC) grade hydrogen.

Development in activities and financial position

The Company's income statement for 2020 shows a profit of DKK 13,535 as against DKK 1,156,080 in 2019. Equity in the Company's balance sheet at 31 December 2020 stood at DKK 2,480,556 as against DKK 2,467,020 at 31 December 2019.

Events after the balance sheet date

No events have occurred after the financial year-end, which could significantly affect the company's financial position.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2020	2019
Gross profit/loss		-47,176	1,476,895
Staff costs	2	42,735	0
Profit/loss before financial income and expenses		-4,441	1,476,895
Other financial income		-99	0
Other financial expenses		-3,071	-77
Profit/loss before tax		-7,611	1,476,818
Tax on profit/loss for the year	3	21,146	-320,738
Profit for the year		13,535	1,156,080
Proposed profit appropriation			
Other reserves		271,028	983,748
Retained earnings		-257,493	172,332
		13,535	1,156,080

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2020	2019
ASSETS			
Fixed assets			
Intangible assets			
Development projects in progress		<u>3,371,776</u>	<u>3,024,304</u>
Investments			
Deposits		<u>14,916</u>	<u>14,916</u>
Total fixed assets		<u>3,386,692</u>	<u>3,039,220</u>
Current assets			
Receivables			
Trade receivables		0	112,079
Other receivables		62,612	0
Deferred tax asset		23,922	0
Corporation tax		<u>76,444</u>	<u>62,612</u>
		<u>162,978</u>	<u>174,691</u>
Cash at bank and in hand		<u>56,199</u>	<u>330,825</u>
Total current assets		<u>219,177</u>	<u>505,516</u>
TOTAL ASSETS		<u><u>3,605,869</u></u>	<u><u>3,544,736</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2020	2019
EQUITY AND LIABILITIES			
Equity			
Contributed capital		50,001	50,001
Reserve for development costs		2,629,985	2,358,957
Retained earnings		-199,430	58,062
Total equity		<u>2,480,556</u>	<u>2,467,020</u>
Provisions			
Provisions for deferred tax		741,790	665,346
Total provisions		<u>741,790</u>	<u>665,346</u>
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		62,500	735
Payables to participating interests		98,450	98,450
Corporation tax		0	43,270
Other payables		216,977	265,124
Payables to shareholders and Management		5,596	4,791
		<u>383,523</u>	<u>412,370</u>
Total liabilities other than provisions		<u>383,523</u>	<u>412,370</u>
TOTAL EQUITY AND LIABILITIES		<u><u>3,605,869</u></u>	<u><u>3,544,736</u></u>

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Rencat ApS for 2020 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, etc.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities. Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well development costs. Other development costs are recognised in the income statement as incurred.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash at bank and in hand

Cash and cash equivalents comprise cash at bank and in hand.

Equity

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Liabilities are measured at net realisable value.

2 Staff costs

Average number of full-time employees	3	3
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3 Tax on profit/loss for the year

DKK	2020	2019
recognised as follows:		
Current tax for the year	73,668	-43,270
Deferred tax asset for the year	23,922	0
Deferred tax liabilities for the year	-76,444	-277,468
	<u>21,146</u>	<u>-320,738</u>