

Hymeth ApS

Maskinvej 5
2860 Søborg

CVR no. 37 40 27 29

Annual report 2018

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

24 May 2019

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 Hymeth ApS for the financial year 1 January – 31 December 2018.

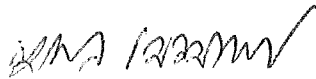
The annual report has been prepared in accordance with the Danish Financial Statements Act.

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

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

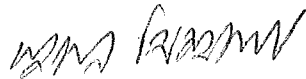
We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 24 May 2019
Executive Board:



Sumon Bishwas
CEO

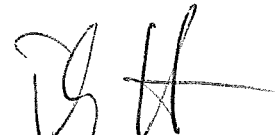
Board of Directors:



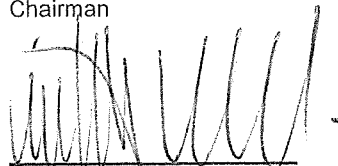
Sumon Bishwas
Chairman



Sten Persson



Torkel Elgh



Mitat Ucar



Independent auditor's report

To the shareholders of Hymeth ApS

Opinion

We have audited the financial statements of Hymeth ApS for the financial year 1 January – 31 December 2018 comprising income statement, balance sheet and notes, including accounting policies. 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 assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 January – 31 December 2018 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 rules and 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 that Management determines is 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 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.



Independent auditor's report

- 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 the 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 assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility 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 our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the 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 the Management's review.

Copenhagen, 24 May 2019

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Morten Høj-Petersen
State Authorised
Public Accountant
mne34283

Hymeth ApS
Annual report 2018
CVR no. 37 40 27 29

Management's review

Company details

Hymeth ApS
Maskinvej 5
2860 Søborg

CVR no.:	37 40 27 29
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Sumon Bishwas, Chairman
Sten Persson
Torkel Elgh
Mitat Ucar

Executive Board

Sumon Bishwas, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 Copenhagen

Management's review

Operating review

Principal activities

The company's main activity is to operate and develop energy efficient products that reduce environmental emissions of harmful substances and to provide energy savings to Danish and foreign households and companies.

Development in activities and financial position

Hymeth had a very interesting development in 2018 as we have strengthened the Board of Directors and received investments to develop and get our Electrolyzer into the market from private investors. We expect in 2019 to have our product ready and start our sales activities.

We have now filed 2 more patents in 2018 and have 7 patents in total. With these patents and our strengthened R&D activities, we aim to getting the best and state of art Electrolyzer to the market very soon.

Our sales activities and revenue will start in 2019 and we expect a strong growth in sales, revenue and profit within few years.

Profit/loss for the year (including comparison with forecasts previously announced)

The Company's income statement for 2018 shows a profit of DKK 134,719 as against DKK 0 in 2017. Equity in the Company's balance sheet at 31 December 2018 stood at DKK 1,876,876 as against DKK 50,000 at 31 December 2017.

The activities and results in Hymeth ApS lives up to last year's expected development for the year. In 2017 we announced that we will continue with our R&D activities, follow our participation in the Highway program and work hard to be ready with our go to market with our Electrolyzer in 2019. We have lived up to all our goals in 2018 and the development is considered to be satisfactory by the management. .

Events after the balance sheet date

We have in April 2019 issued more shares and is now financially strong and ready with our go to market strategy. No other events have occurred after the balance sheet date which could significantly affect the company's financial position

Financial statements 1 January – 31 December

Income statement

DKK	Note	2018	2017
Gross profit		134,719	0
Profit before tax		134,719	0
Tax on profit/loss for the year		0	0
Profit for the year		134,719	0
Proposed profit appropriation			
Retained earnings		134,719	0

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2018	31/12 2017
ASSETS			
Fixed assets			
Intangible assets	3		
Development projects in progress		<u>649,394</u>	<u>0</u>
Property, plant and equipment	4		
Fixtures and fittings, tools and equipment		<u>73,843</u>	<u>0</u>
Investments			
Deposits		<u>25,823</u>	<u>0</u>
Total fixed assets		<u>749,060</u>	<u>0</u>
Current assets			
Receivables			
Other receivables		<u>56,064</u>	<u>10,211</u>
Cash at bank and in hand		<u>1,311,927</u>	<u>178,007</u>
Total current assets		<u>1,367,991</u>	<u>188,218</u>
TOTAL ASSETS		<u><u>2,117,051</u></u>	<u><u>188,218</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2018	31/12 2017
EQUITY AND LIABILITIES			
Equity			
Contributed capital		57,566	50,000
Reserve for development costs		541,627	0
Retained earnings		1,277,683	0
Total equity		1,876,876	50,000
Liabilities			
Current liabilities other than provisions			
Payables to associates		0	1,947
Other payables		120,586	0
Deferred income		119,589	136,271
		240,175	138,218
Total liabilities		240,175	138,218
TOTAL EQUITY AND LIABILITIES		2,117,051	188,218

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Hymeth ApS for 2018 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

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.

Other external costs

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

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	5-10 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

Other liabilities are measured at net realisable value.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

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.

2 Staff costs

Average number of full-time employees

	1	0
	<u> </u>	<u> </u>

Financial statements 1 January – 31 December

Notes

3 Intangible assets

DKK	Development projects in progress	Total
Cost at 1 January 2018	0	0
Additions for the year	649,394	649,394
Cost at 31 December 2018	649,394	649,394
Carrying amount at 31 December 2018	649,394	649,394

4 Property, plant and equipment

DKK	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2018	0	0
Additions for the year	73,843	73,843
Cost at 31 December 2018	73,843	73,843
Carrying amount at 31 December 2018	73,843	73,843