

CemGreen ApS

Strandparken 32

4000 Roskilde

CVR no. 37 94 38 43

Annual report for 2021
(5th Financial year)

Adopted at the annual general
meeting on 24. May 2022

Lasse Nørbye Døssing
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of CemGreen ApS for the financial year 1 January - 31 December 2021.

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 company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Roskilde, 24 May 2022

Executive board

Lasse Nørbye Døssing

Martin Hagsted Rasmussen

Stefan Steen Larsen

Mogens Juhl Føns

Independent auditor's report

To the shareholders of CemGreen ApS

Opinion

We have audited the financial statements of CemGreen ApS for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity 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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021 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 and IESBA Code. 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.

Independent auditor's report

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.

Independent auditor's report

- 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.

Taastrup, 24 May 2022

JH Revision
Godkendt Revisionspartnerselskab
CVR no. 55 39 97 19

Martin Santino Lo Turco
statsautoriseret revisor
MNE no. mne35467

Company details

The company

CemGreen ApS
Strandparken 32
4000 Roskilde

CVR no.: 37 94 38 43

Reporting period: 1 January - 31 December 2021

Incorporated: 8 August 2016

Domicile: Roskilde

Executive board

Lasse Nørbye Døssing
Martin Hagsted Rasmussen
Stefan Steen Larsen
Mogens Juhl Føns

Auditors

JH Revision
Godkendt Revisionspartnerselskab
Kingsvej 3
2630 Taastrup

Management's review

Business review

The company's activities include research and knowledge in processes regarding the concrete industry.

Financial review

The company's income statement for the year ended 31 December 2021 shows a profit of DKK 2.181.152, and the balance sheet at 31 December 2021 shows equity of DKK 3.187.953.

Accounting policies

The annual report of CemGreen ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

Pursuant to sections §110 subsection 1, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow 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 will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Accounting policies

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other operating income less costs of other external expenses.

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration and car operation etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest expenses etc.

Income from investments in subsidiaries

The proportionate share of the profit/loss for the year of subsidiaries is recognised in the company's income statement after full elimination of intra-group profits/losses.

Accounting policies

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

The company acts as management company for all jointly taxed entities and, in its capacity as such, pays all income taxes to the Danish tax authorities.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Intangible assets

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the licence term, however maximally 7 years.

Development costs and costs relating to rights developed by the company are recognised in the income statement as costs in the year of acquisition.

Tangible assets

Items of plant and machinery are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Plant and machinery	10 years	0 %

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Accounting policies

Investments in subsidiaries

Investments in subsidiaries are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Investments in subsidiaries are measured in the parent company financial statements using the equity method.

Net revaluations of investments in subsidiaries are taken to the net revaluation reserve according to the equity method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of CemGreen ApS is adopted are not taken to the net revaluation reserve.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Cash and cash equivalents

Cash and cash equivalents comprise deposits at banks.

Accounting policies

Equity

Reserve for development costs

An amount corresponding to capitalised development costs is recognised in the reserve. The reserve is reduced as development costs are amortised.

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method in the company's financial statements comprises net revaluation of investments in subsidiaries, participating interests and associates relative to the cost.

Income tax and deferred tax

As management company, CemGreen ApS is liable for payment of the subsidiaries' corporate income taxes to the tax authorities.

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities are measured at amortised cost, which is usually equivalent to nominal value.

Income statement 1 January 2021 - 31 December 2021

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Gross profit		2.186.185	591.289
Staff costs	1	<u>-551.425</u>	<u>-238.391</u>
Profit/loss before net financials		1.634.760	352.898
Income from investments in subsidiaries		567.508	-80.456
Financial income		12	0
Financial costs	2	<u>-21.128</u>	<u>-3.862</u>
Profit/loss before tax		2.181.152	268.580
Tax on profit/loss for the year	3	<u>0</u>	<u>12.573</u>
Profit/loss for the year		<u>2.181.152</u>	<u>281.153</u>
Reserve for net revaluation under the equity method		487.052	0
Retained earnings		<u>1.694.100</u>	<u>281.153</u>
		<u>2.181.152</u>	<u>281.153</u>

Balance sheet at 31 December 2021

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Assets			
Acquired patents		171.179	152.024
Development projects in progress		<u>665.458</u>	<u>665.458</u>
Intangible assets	4	<u>836.637</u>	<u>817.482</u>
Plant and machinery		<u>758.906</u>	<u>556.782</u>
Tangible assets	5	<u>758.906</u>	<u>556.782</u>
Investments in subsidiaries	6	<u>725.552</u>	<u>158.044</u>
Fixed asset investments		<u>725.552</u>	<u>158.044</u>
Total non-current assets		<u>2.321.095</u>	<u>1.532.308</u>
Other receivables		632.457	370.410
Corporation tax		<u>6.012</u>	<u>4.000</u>
Receivables		<u>638.469</u>	<u>374.410</u>
Cash at bank and in hand		<u>3.170.699</u>	<u>5.021.333</u>
Total current assets		<u>3.809.168</u>	<u>5.395.743</u>
Total assets		<u><u>6.130.263</u></u>	<u><u>6.928.051</u></u>

Balance sheet at 31 December 2021

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Equity and liabilities			
Share capital		60.000	60.000
Reserve for net revaluation under the equity method		487.052	0
Reserve for development expenditure		519.057	519.057
Retained earnings		2.121.844	427.744
Equity		<u>3.187.953</u>	<u>1.006.801</u>
Trade payables		19.447	522.271
Payables to subsidiaries		119.203	0
Payables to shareholders and management		0	116.000
Other payables		184.498	216.395
Deferred income		2.619.162	5.066.584
Total current liabilities		<u>2.942.310</u>	<u>5.921.250</u>
Total liabilities		<u>2.942.310</u>	<u>5.921.250</u>
Total equity and liabilities		<u><u>6.130.263</u></u>	<u><u>6.928.051</u></u>

Statement of changes in equity

	Share capital	Reserve for net revalua- tion under the equity method	Reserve for development expenditure	Retained earnings	Total
Equity at 1 January 2021	60.000	0	519.057	427.744	1.006.801
Net profit/loss for the year	0	487.052	0	1.694.100	2.181.152
Equity at 31 December 2021	60.000	487.052	519.057	2.121.844	3.187.953

Noter til årsrapporten

	<u>2021</u>	<u>2020</u>
	DKK	DKK
1 Staff costs		
Wages and salaries	488.750	227.518
Pensions	57.369	9.279
Other social security costs	5.306	1.594
	<u>551.425</u>	<u>238.391</u>
Average number of employees	<u>1</u>	<u>1</u>
2 Financial costs		
Financial expenses, group entities	4.653	0
Other financial costs	16.475	3.862
	<u>21.128</u>	<u>3.862</u>
3 Tax on profit/loss for the year		
Deferred tax for the year	<u>0</u>	<u>-12.573</u>
	<u>0</u>	<u>-12.573</u>

Noter til årsrapporten

4 Intangible assets

	Acquired patents	Development projects in progress
Cost at 1 January 2021	152.024	665.458
Additions for the year	19.155	0
Cost at 31 December 2021	<u>171.179</u>	<u>665.458</u>
Impairment losses and amortisation at 1 January 2021	<u>0</u>	<u>0</u>
Impairment losses and amortisation at 31 December 2021	<u>0</u>	<u>0</u>
Carrying amount at 31 December 2021	<u><u>171.179</u></u>	<u><u>665.458</u></u>

5 Tangible assets

	Plant and machinery
Cost at 1 January 2021	556.782
Additions for the year	202.124
Cost at 31 December 2021	<u>758.906</u>
Impairment losses and depreciation at 1 January 2021	<u>0</u>
Impairment losses and depreciation at 31 December 2021	<u>0</u>
Carrying amount at 31 December 2021	<u><u>758.906</u></u>

Noter til årsrapporten

	2021	2020
	DKK	DKK
6 Investments in subsidiaries		
Cost at 1 January 2021	238.500	0
Additions for the year	0	238.500
Cost at 31 December 2021	<u>238.500</u>	<u>238.500</u>
Revaluations at 1 January 2021	-80.456	0
Net profit/loss for the year	579.868	-80.456
Amortisation of goodwill	-12.360	0
Revaluations at 31 December 2021	<u>487.052</u>	<u>-80.456</u>
Carrying amount at 31 December 2021	<u>725.552</u>	<u>158.044</u>
Remaining positive difference included in the above carrying amount at 31 December 2021	<u>49.440</u>	

Investments in subsidiaries are specified as follows:

Name	Registered office	Ownership interest	Equity	Profit/loss for the year
BioCrete ApS	Roskilde	57%	1.186.161	1.017.312

7 Contingent liabilities

The parent company is jointly taxed with its danish group entities. The entities are jointly and severally liable for danish income taxes as well as withholding taxes on dividends, interest and royalties payable by the group of jointly taxed entities.

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.

Lasse Nørbye Døssing

Som Direktør NEM ID
PID: 9208-2002-2-617919630648
Tidspunkt for underskrift: 24-05-2022 kl.: 15:07:55
Underskrevet med NemID

Martin Hagsted Rasmussen

Som Direktør NEM ID
PID: 9208-2002-2-246657539235
Tidspunkt for underskrift: 25-05-2022 kl.: 21:33:10
Underskrevet med NemID

Stefan Steen Larsen

Som Direktør NEM ID
PID: 9208-2002-2-684365935756
Tidspunkt for underskrift: 25-05-2022 kl.: 10:57:54
Underskrevet med NemID

Mogens Juhl Føns

Som Direktør NEM ID
PID: 9208-2002-2-384398859266
Tidspunkt for underskrift: 24-05-2022 kl.: 13:38:44
Underskrevet med NemID

Martin Santino Lo Turco

Som statsautoriseret revisor NEM ID
PID: 9208-2002-2-419788203050
Tidspunkt for underskrift: 25-05-2022 kl.: 22:17:24
Underskrevet med NemID

Lasse Nørbye Døssing

Som Dirigent NEM ID
PID: 9208-2002-2-617919630648
Tidspunkt for underskrift: 25-05-2022 kl.: 23:00:02
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