

Landson Advanced Ceramics A/S

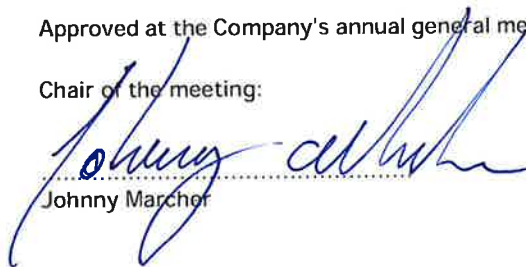
Rundinsvej 63, 3200 Helsingør

CVR no. 38 00 80 48

Annual report 2023

Approved at the Company's annual general meeting on 17 May 2024

Chair of the meeting:

A handwritten signature in blue ink, appearing to read 'Johnny Marcher', is written over a horizontal dotted line.

Johnny Marcher

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Landson Advanced Ceramics A/S for the financial year 1 January - 31 December 2023.

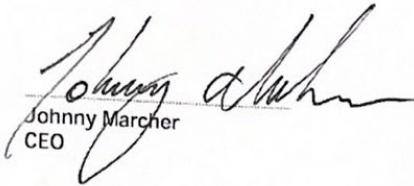
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.


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.

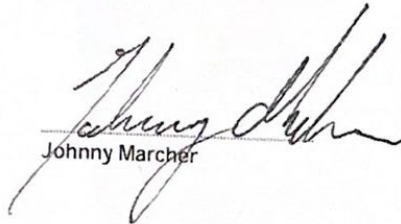
Helsingør, 17 May 2024
Executive Board:

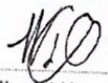

Johnny Marcher
CEO

Board of Directors:


Guang Hu
Chairman


Wu Yin


Johnny Marcher


Nicolaj Hornskov

Independent auditor's report

To the shareholders of Landson Advanced Ceramics A/S

Conclusion

We have conducted an extended review of the financial statements of Landson Advanced Ceramics A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's standard on extended review for Small entities and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance for our conclusion on the financial statements and perform specifically required supplementary procedures to obtain additional assurance for our conclusion.

An extended review comprises procedures that primarily consist of making enquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Statement on the Management's review

Management is responsible for the Management's review.

Our conclusion 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 extended review 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 extended review, or otherwise appears to be materially misstated.

Independent auditor's report

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 Statement Act. We did not identify any material misstatement of the Management's review.

Odense, 17 May 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Torben Ahle Pedersen
State Authorised Public Accountant
mne16611

Management's review

Company details

Name	Landson Advanced Ceramics A/S
Address, Postal code, City	Rundinsvej 63, 3200 Helsingør
CVR no.	38 00 80 48
Established	14 September 2016
Registered office	Gribskov
Financial year	1 January - 31 December
Board of Directors	Guang Hu, Chairman Wu Yin Johnny Marcher Nicolaj Hornskov
Executive Board	Johnny Marcher, CEO
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M, Denmark

Management's review

Business review

The object of the Company is research and development, manufacturing, and sales within cleantech and other business related hereto.

Financial review

The income statement for 2023 shows a loss of DKK 8,414,979 against a loss of DKK 48,603,543 last year, and the balance sheet at 31 December 2023 shows equity of DKK 14,045,023.

Through 2023 we have continued the installation and commissioning of the DPF manufacturing line in China. We see an increasing request for sampling from Chinese OEMs and we have supplied several customers with PPAP parts through the Chinese operation.

In 2023 we have had growing success in the membrane market, which has led us to focus on these products for now.

Events after the balance sheet date

As of 1 January 2024, the company has sold the property Kuopiovej 13, Svendborg for an amount that significantly exceeds the carrying book value. The accounting profit on sales will be recognised in 2024.

After the balance sheet date, no further events significant to the financial position of the company occurred. However, the relocation of the company to Helsingør North of Copenhagen, has momentarily paused our production. Since we already have significant orders, we expect to catch up in second half of this year.

Outlook

The Company expects growth, mainly due to the membrane business, but likely the OEM-DPF business will take further positive effect in 2024.

Further we have been met with an increasing interest in our other potential products within SiC, such as parts for the solar power industry.

Liquidity for working capital and investments is expected to be secured through a bank loan and financing from the parent company.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2023	2022
	Gross profit/loss	2,757,707	-7,155,845
4	Staff costs	-8,638,867	-14,716,625
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-3,540,476	-24,298,455
	Other operating expenses	0	-10,880,777
	Profit/loss before net financials	-9,421,636	-57,051,702
	Financial income	181,756	710,779
	Financial expenses	-394,099	-116,591
	Profit/loss before tax	-9,633,979	-56,457,514
5	Tax for the year	1,219,000	7,853,971
	Profit/loss for the year	-8,414,979	-48,603,543
	Recommended appropriation of profit/loss		
	Extraordinary dividend distributed in the year	0	400,000
	Retained earnings/accumulated loss	-8,414,979	-49,003,543
		-8,414,979	-48,603,543

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	ASSETS		
	Fixed assets		
6	Intangible assets		
	Completed development projects	12,380,440	14,625,742
	Acquired intangible assets	0	0
		<u>12,380,440</u>	<u>14,625,742</u>
7	Property, plant and equipment		
	Land and buildings	13,649,530	13,164,330
	Fixtures and fittings, other plant and equipment	2,450,291	2,958,277
		<u>16,099,821</u>	<u>16,122,607</u>
8	Investments		
	Other securities and investments	10,068,236	0
		<u>10,068,236</u>	<u>0</u>
	Total fixed assets	<u>38,548,497</u>	<u>30,748,349</u>
	Non-fixed assets		
	Inventories		
	Raw materials, consumables and spare parts	1,428,921	3,820,427
	Work in progress	0	1,580,781
	Finished goods and goods for resale	0	1,040,405
	Prepayments for goods	73,131	0
		<u>1,502,052</u>	<u>6,441,613</u>
	Receivables		
	Trade receivables	0	901,924
	Receivables from group entities	13,363,156	16,094,454
10	Deferred tax assets	3,593,000	2,374,000
	Other receivables	783,436	1,824,417
	Prepayments	140,970	488,508
		<u>17,880,562</u>	<u>21,683,303</u>
	Cash	917,747	14,250,121
	Total non-fixed assets	<u>20,300,361</u>	<u>42,375,037</u>
	TOTAL ASSETS	<u>58,848,858</u>	<u>73,123,386</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
9	Share capital	6,000,000	6,000,000
	Reserve for development costs	9,656,744	11,408,079
	Retained earnings	-1,611,721	5,051,923
	Dividend proposed	0	0
	Total equity	<u>14,045,023</u>	<u>22,460,002</u>
	Liabilities other than provisions		
11	Non-current liabilities other than provisions		
	Payables to group entities	38,740,795	38,420,212
	Other payables	481,831	465,537
		<u>39,222,626</u>	<u>38,885,749</u>
	Current liabilities other than provisions		
	Bank debt	15,369	17,426
	Prepayments received from customers	2,304,442	1,751,773
	Trade payables	3,035,272	9,781,284
	Other payables	226,126	227,152
		<u>5,581,209</u>	<u>11,777,635</u>
	Total liabilities other than provisions	<u>44,803,835</u>	<u>50,663,384</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>58,848,858</u></u>	<u><u>73,123,386</u></u>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 3 Special items
- 12 Security and collateral
- 13 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Reserve for development costs	Retained earnings	Dividend proposed	Total
Equity at 1 January 2022	6,000,000	27,900,359	37,563,186	0	71,463,545
Transfer through appropriation of loss	0	0	-49,003,543	400,000	-48,603,543
Depreciation in the year	0	-21,143,948	21,143,948	0	0
Tax on items recognised directly in equity	0	4,651,668	-4,651,668	0	0
Dividend distributed	0	0	0	-400,000	-400,000
Equity at 1 January 2023	6,000,000	11,408,079	5,051,923	0	22,460,002
Transfer through appropriation of loss	0	0	-8,414,979	0	-8,414,979
Depreciation in the year	0	-2,245,302	2,245,302	0	0
Tax on items recognised directly in equity	0	493,967	-493,967	0	0
Equity at 31 December 2023	6,000,000	9,656,744	-1,611,721	0	14,045,023

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Landson Advanced Ceramics A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

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

Gross profit/loss

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit/loss in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating expenses comprise items of a secondary nature relative to the Company's core activities.

Raw materials and consumables

Raw materials, spare parts and consumables include expenses relating to raw materials, spare parts and consumables used in generating the year's revenue.

The item includes research and development costs that do not qualify for capitalisation.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation and impairment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Buildings	10-25 years
Fixtures and fittings, other plant and equipment	3-20 years
Installations	10-25 years
Acquired intangible assets	3 years
Development projects	5-10 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

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

Land is not depreciated.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly or 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 identifiable 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 and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period cannot exceed 10 years.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

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

Other securities and investments

Securities and investments consisting of listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials, spare parts and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables, direct labour and direct production overheads. Indirect production overheads and borrowing costs are not included in the cost.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial 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 has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less that are subject to only minor risks of changes in value.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Other liabilities are measured at net realisable value.

Prepayments received from customers

Prepayments comprise received cash concerning not-delivered services and goods regarding the subsequent financial year.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Events after the balance sheet date

As of 1 January 2024, the company has sold the property Kuopiovej 13, Svendborg for an amount that significantly exceeds the carrying book value. The accounting profit on sales will be recognised in 2024.

After the balance sheet date, no further events significant to the financial position of the company occurred. However, the relocation of the company to Helsingør North of Copenhagen, has momentarily paused our production. Since we already have significant orders, we expect to catch up in second half of this year.

3 Special items

Special items comprise significant income and expenses of a special nature relative to the Company's revenue-generating operating activities. Special items may comprise expenses incurred for extensive structuring of processes and basic structural adjustments as well as any related disposal gains and losses, that have a material impact over time. Special items also comprise significant one-off items that, in Management's opinion, do not form part of the Company's primary operating activities and that are deemed not to be recurring.

As mentioned in the management's report for 2022, the result for the year was affected by extraordinary impairment charges on intangible fixed assets and losses on the sale of fixed assets. This ratio differs from what management assesses as part of its primary operations and is therefore included in this note.

Special items for the year are specified below, including the line items in which they are recognised in the income statement.

DKK	<u>2023</u>	<u>2022</u>
Expenses		
Impairment loss of development projects	0	-18,943,099
Net loss on sales of fixtures and fittings, other plant and equipment	0	-10,880,777
Extraordinary write-downs of inventories and provision for losses on receivables;	0	-2,694,737
	<u>0</u>	<u>-32,518,613</u>
Special items are recognised in the below items of the financial statements		
Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	0	-18,943,099
Other operating expenses	0	-10,880,777
Gross profit/loss	0	-2,694,737
Net profit/loss on special items	<u>0</u>	<u>-32,518,613</u>

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2023	2022	
4 Staff costs			
Wages/salaries	7,276,162	12,354,088	
Pensions	974,045	1,620,022	
Other social security costs	167,696	420,275	
Other staff costs	220,964	322,240	
	<u>8,638,867</u>	<u>14,716,625</u>	
Average number of full-time employees	<u>12</u>	<u>34</u>	
5 Tax for the year			
Deferred tax adjustments in the year	-1,219,000	-7,853,971	
	<u>-1,219,000</u>	<u>-7,853,971</u>	
6 Intangible assets			
DKK	Completed development projects	Acquired intangible assets	Total
Cost at 1 January 2023	<u>42,576,275</u>	<u>110,000</u>	<u>42,686,275</u>
Cost at 31 December 2023	<u>42,576,275</u>	<u>110,000</u>	<u>42,686,275</u>
Impairment losses and amortisation at 1 January 2023	27,950,533	110,000	28,060,533
Amortisation for the year	<u>2,245,302</u>	<u>0</u>	<u>2,245,302</u>
Impairment losses and amortisation at 31 December 2023	<u>30,195,835</u>	<u>110,000</u>	<u>30,305,835</u>
Carrying amount at 31 December 2023	<u>12,380,440</u>	<u>0</u>	<u>12,380,440</u>
Amortised over	<u>5-10 years</u>	<u>3 years</u>	

Completed development projects and development projects in progress

Based on the current development projects the company expects a significant increase in activities and profits during the coming years.

Following the write-down on development projects, management has not identified any additional impairment requirements.

Financial statements 1 January - 31 December

Notes to the financial statements

7 Property, plant and equipment

DKK	Land and buildings	Fixtures and fittings, other plant and equipment	Total
Cost at 1 January 2023	17,324,443	4,974,445	22,298,888
Additions	1,272,388	0	1,272,388
Cost at 31 December 2023	18,596,831	4,974,445	23,571,276
Impairment losses and depreciation at 1 January 2023	4,160,113	2,016,168	6,176,281
Depreciation	787,188	507,986	1,295,174
Impairment losses and depreciation at 31 December 2023	4,947,301	2,524,154	7,471,455
Carrying amount at 31 December 2023	13,649,530	2,450,291	16,099,821
Depreciated over	10-25 years	3-20 years	

Note 12 provides more details on security for loans, etc. as regards property, plant and equipment.

8 Investments

DKK	Other securities and investments
Cost at 1 January 2023	0
Additions on merger/corporate acquisition	10,068,236
Cost at 31 December 2023	10,068,236
Carrying amount at 31 December 2023	10,068,236

9 Share capital

Analysis of changes in the share capital over the past 5 years:

DKK	2023	2022	2021	2020	2019
Opening balance	6,000,000	6,000,000	6,000,000	6,000,000	5,000,000
Capital increase	0	0	0	0	1,000,000
	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000

10 Deferred tax

The Company has tax loss and carry-forwards at a carrying tax amount of DKK 6.3 million. As it is uncertain if the full amount of the tax losses can be utilised within a foreseeable future, a carrying amount of DKK 3.6 million have been recognised in the financial statements.

11 Non-current liabilities other than provisions

Of the long-term liabilities, DKK 0 falls due for payment after more than 5 years after the balance sheet date.

Financial statements 1 January - 31 December

Notes to the financial statements

12 Security and collateral

As security for the Company's debt to banks, the Company has provided security in its property for at total amount of TDKK 2,500. The total carrying amount of these assets is TDKK 13,650.

In connection with the Company's acquisition of the property on Rundinsvej 63, 3200 Helsingør, the Company has placed a deposit of 23.875 TDKK as warranty for the purchase transaction.

13 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>
Cleantech International Co., Ltd.	Hong Kong

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Cleantech International Co., Ltd.	Hong Kong
Johnny Marcher	Denmark