



Hamilton & Ponsaing ApS

Saltholmsgade 19, 1.
8000 Aarhus C
CVR No. 39703521

Annual report 03.07.2018 - 31.12.2019

The Annual General Meeting adopted the
annual report on 12.04.2020

Per Ponsaing

Chairman of the General Meeting

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Entity details

Entity

Hamilton & Ponsaing ApS

Saltholmsgade 19, 1.

8000 Aarhus C

CVR No.: 39703521

Registered office: Aarhus

Financial year: 03.07.2018 - 31.12.2019

Executive Board

Phillip Craig Hamilton

Per Ponsaing

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management

The Executive Board have today considered and approved the annual report of Hamilton & Ponsaing ApS for the financial year 03.07.2018 - 31.12.2019.

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 Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 03.07.2018 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aarhus, 12.04.2020

Executive Board

Phillip Craig Hamilton

Per Ponsaing

Independent auditor's extended review report

To the shareholders of Hamilton & Ponsaing ApS

Qualified opinion

We have performed an extended review of the financial statements of Hamilton & Ponsaing ApS for the financial year 03.07.2018 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, except for the possible effects of the matter described in the "Basis for qualified opinion" section, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 03.07.2018 - 31.12.2019 in accordance with the Danish Financial Statements Act.

Basis for qualified opinion

During our review we have been able to obtain sufficient audit evidence for the basis of existence and rights of the intellectual property. However, we have not been able to obtain adequate assurance about the value of the patent. Therefore we submit our statement with a qualified opinion limited to the valuation of the acquired intellectual property.

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section of this extended review report. We are independent of the Entity 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. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our modified conclusion.

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 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity 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 about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with 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 commentary.

Aarhus, 12.04.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Torben Rohde Pedersen

State Authorised Public Accountant
Identification No (MNE) mne33801

Management commentary

Primary activities

The primary activities are to acquire, develop, market and to give license at intangible assets within the energy and environment sector

Development in activities and finances

This is the first financial year. The Year-end result is a loss of DKK 71t which is unsatisfactory.

Since the start of the enterprise 71% of the share capital has been lost. This was expected as the aim of the enterprise is to establish a partnership with a third party in order to develop, produce and market the invention patented by the enterprise.

In December 2019 we received from a third party a proposed agreement, which we are now negotiating. Depending on the result of these negotiations, we will consider expanding the share capital in 2020 or allow the share capital to re-establish through future operations.

Uncertainty relating to recognition and measurement

Since December 2019 there has been negotiations in progress with regard to developing, producing and marketing the acquired patents. Due to the fact that these negotiations are still in progress there is uncertainty relating to the measurement of the acquired patents.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report. It is our opinion that the outbreak and spread of COVID-19 will not affect the ongoing negotiations.

Income statement for 2018/19

	Notes	2018/19 DKK
Gross profit/loss		(40,606)
Depreciation, amortisation and impairment losses		(28,048)
Operating profit/loss		(68,654)
Other financial expenses	3	(6)
Profit/loss before tax		(68,660)
Tax on profit/loss for the year	4	(2,000)
Profit/loss for the year		(70,660)
Proposed distribution of profit and loss		
Retained earnings		(70,660)
Proposed distribution of profit and loss		(70,660)

Balance sheet at 31.12.2019

Assets

	Notes	2018/19 DKK
Acquired patents		271,952
Intangible assets	5	271,952
Fixed assets		271,952
Other receivables		3,365
Receivables		3,365
Cash		59,237
Current assets		62,602
Assets		334,554

Equity and liabilities

	Notes	2018/19 DKK
Contributed capital		100,000
Retained earnings		(70,660)
Equity		29,340
Deferred tax		2,000
Provisions		2,000
Trade payables		14,000
Payables to group enterprises		286,434
Payables to shareholders and management		2,665
Other payables		115
Current liabilities other than provisions		303,214
Liabilities other than provisions		303,214
Equity and liabilities		334,554
Going concern	1	
Uncertainty relating to recognition and measurement	2	

Statement of changes in equity for 2018/19

	Contributed capital DKK	Retained earnings DKK	Total DKK
Contributed upon formation	100,000	0	100,000
Profit/loss for the year	0	(70,660)	(70,660)
Equity end of year	100,000	(70,660)	29,340

Notes

1 Going concern

As per the company Shareholder Agreement the shareholders have committed not to collect their payables. Those payables comprises payables to group enterprises, shareholders and management which accounts for 94% of the total current liabilities other than provisions. Furthermore the shareholders has stated to support the liquidity if needed.

Therefore the company fulfills the going concern assumption.

2 Uncertainty relating to recognition and measurement

Since December 2019 there has been negotiations in progress with regard to developing, producing and marketing the acquired patents. Due to the fact that these negotiations are still in progress there is uncertainty relating to the measurement of the acquired patents.

3 Other financial expenses

	2018/19 DKK
Financial expenses from group enterprises	6
	6

4 Tax on profit/loss for the year

	2018/19 DKK
Change in deferred tax	2,000
	2,000

5 Intangible assets

	Acquired patents DKK
Additions	300,000
Cost end of year	300,000
Amortisation for the year	(28,048)
Amortisation and impairment losses end of year	(28,048)
Carrying amount end of year	271,952

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for administration, marketing costs, etc.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Cash

Cash comprises bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.