Hammershoy Holding ApS

Andkærvej 19D, 7100 Vejle

CVR no. 40 35 99 66

Annual report for 2023

This annual report has been adopted at the annual general meeting on 05.07.24

Rene Hasbo

Chairman of the meeting

Table of contents

Company information etc.

The company

Hammershoy Holding ApS
c/o Hasbo Administration A/S
Andkærvej 19D
7100 Vejle
Registered office: Vejle
CVR no.: 40 35 99 66
Financial year: 01.01 - 31.12

Executive Board

Rene Hasbo

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement by the Executive Board on the annual report

I have on this day presented the annual report for the financial year 01.01.23 - 31.12.23 for Hammershoy Holding ApS.

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

In my opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.23 and of the results of the company's activities for the financial year 01.01.23 - 31.12.23.

I believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Vejle, July 5, 2024

Executive Board

Rene Hasbo

Independent auditor's report on extended review

To the capital owner of Hammershoy Holding ApS

Conclusion

We have conducted an extended review of the financial statements of Hammershoy Holding ApS for the financial year 01.01.23 - 31.12.23, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the company's financial position at 31.12.23 and of the results of the company's operations for the financial year 01.01.23 - 31.12.23 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises 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 of our report. 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. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our basis for conclusion.

Statement regarding 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 there on.

In connection with our extended review of the financial statements, it is our responsibility 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.

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 in the management's review.

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 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 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 in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

Independent auditor's report on extended review

An extended review comprises procedures that primarily consist of inquiries to management and others within the company, as appropriate, analytical procedures, 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.

Soeborg, Copenhagen, July 5, 2024

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Henrik Agner Hansen
State Authorized Public Accountant
MNE-no. mne28682

Primary activities

The company's activities comprise of owning shares in other companies and business related here to.

Development in activities and financial affairs

The income statement for the period 01.01.23 - 31.12.23 shows a profit/loss of DKK -291,405 against DKK -1,149,548 for the period 01.01.22 - 31.12.22. The balance sheet shows equity of DKK 6,202,759.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note		2023 DKK	2022 DKK
	Gross loss	**-336,044**	**-107,916**
1	Staff costs	0	-227,644
	Loss before depreciation, amortisation, write-downs and impairment losses	**-336,044**	**-335,560**
	Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	-100,000	-188,760
	Operating loss	**-436,044**	**-524,320**
2	Income from equity investments in group enterprises	84,972	-378,257
3	Financial income	119,001	133,993
	Financial expenses	-59,334	-254,548
	Loss before tax	**-291,405**	**-1,023,132**
4	Tax on loss for the year	0	-126,416
	Loss for the year	**-291,405**	**-1,149,548**

Proposed appropriation account		
Retained earnings	-291,405	-1,149,548
Total	**-291,405**	**-1,149,548**

Balance sheet

ASSETS

Note		31.12.23 DKK	31.12.22 DKK
	Development projects in progress	300,000	400,000
5	**Total intangible assets**	**300,000**	**400,000**
7	Equity investments in group enterprises	1,158,043	1,069,497
8	Receivables from group enterprises	1,414,803	2,227,765
	Total investments	**2,572,846**	**3,297,262**
	Total non-current assets	**2,872,846**	**3,697,262**
	Income tax receivable	0	30,570
	Other receivables	110,753	5,997,719
	Total receivables	**110,753**	**6,028,289**
	Cash	**3,235,845**	**124,809**
	Total current assets	**3,346,598**	**6,153,098**
	Total assets	**6,219,444**	**9,850,360**

Balance sheet

EQUITY AND LIABILITIES

Note		31.12.23 DKK	31.12.22 DKK
	Share capital	50,000	50,000
	Reserve for development costs	234,000	312,000
	Retained earnings	5,918,759	6,132,164
	Total equity	**6,202,759**	**6,494,164**
	Trade payables	16,685	72,200
	Other payables	0	3,283,996
	Total short-term payables	**16,685**	**3,356,196**
	Total payables	**16,685**	**3,356,196**
	Total equity and liabilities	**6,219,444**	**9,850,360**

9 Contingent liabilities

Statement of changes in equity

Figures in DKK	Share capital	Reserve for develop-ment costs	Retained earnings	Total equity
Statement of changes in equity for 01.01.22 - 31.12.22				
Balance as at 01.01.22	50,000	459,232	7,134,480	7,643,712
Transfers to/from other reserves	0	-147,232	147,232	0
Net profit/loss for the year	0	0	-1,149,548	-1,149,548
Balance as at 31.12.22	50,000	312,000	6,132,164	6,494,164
Statement of changes in equity for 01.01.23 - 31.12.23				
Balance as at 01.01.23	50,000	312,000	6,132,164	6,494,164
Transfers to/from other reserves	0	-78,000	78,000	0
Net profit/loss for the year	0	0	-291,405	-291,405
Balance as at 31.12.23	50,000	234,000	5,918,759	6,202,759

	2023 DKK	2022 DKK

1. Staff costs

	2023 DKK	2022 DKK
Wages and salaries	0	180,455
Pensions	0	25,400
Other social security costs	0	2,272
Other staff costs	0	19,517
Total	0	227,644
Average number of employees during the year	0	1

2. Income from equity investments in group enterprises

	2023 DKK	2022 DKK
Share of profit or loss of group enterprises	84,972	-378,257
Total	84,972	-378,257

3. Financial income

	2023 DKK	2022 DKK
Interest, group enterprises	117,225	133,993
Other financial income	1,776	0
Total	119,001	133,993

4. Tax on loss for the year

	2023 DKK	2022 DKK
Adjustment of tax in respect of previous years	0	126,416
Total	0	126,416

5. Intangible assets

Figures in DKK	Development projects in progress
Cost as at 01.01.23	588,760
Cost as at 31.12.23	588,760
Amortisation and impairment losses as at 01.01.23	-188,760
Impairment losses during the year	-100,000
Amortisation and impairment losses as at 31.12.23	-288,760
Carrying amount as at 31.12.23	300,000

véCycle is the overall concept for wastewater management, bio gasification and pyrolysis. The three technologies can be modularly put together or delivered as stand-alone solutions.

The solution is intended for purifying household wastewater to a level where the water can be reused directly in the households for other purposes as toilet lushing and as well discharged directly to the recipient. Excess organic material from the purification process is mixed with manure and silage from agriculture as well as pulp from organic waste and gasifying to biogas in a biogas plant.

The biogas is used in the production of electricity and heating / cooling.

6. Property, plant and equipment

Figures in DKK	Other fixtures and fittings, tools and equipment
Cost as at 01.01.23	20,548
Cost as at 31.12.23	20,548
Depreciation and impairment losses as at 01.01.23	-20,548
Depreciation and impairment losses as at 31.12.23	-20,548
Carrying amount as at 31.12.23	0

7. Equity investments in group enterprises

Figures in DKK	Equity investments in group enterprises
Cost as at 01.01.23	2,824,001
Cost as at 31.12.23	2,824,001
Depreciation and impairment losses as at 01.01.23	-1,754,502
Net profit/loss from equity investments	-262,441
Other adjustments relating to equity investments	347,413
Negative equity value impaired in receivables	3,572
Depreciation and impairment losses as at 31.12.23	-1,665,958
Carrying amount as at 31.12.23	1,158,043

7. Equity investments in group enterprises - continued -

Name and registered office:	Ownership interest
Subsidiaries:	
Blue Grid ApS, Vejle	100%
GT 1962 ApS, København	60%

8. Other non-current financial assets

Figures in DKK	Receivables from group enterprises
Cost as at 01.01.23	2,227,766
Disposals during the year	-809,391
Cost as at 31.12.23	1,418,375
Impairment losses during the year	-3,572
Impairment losses as at 31.12.23	-3,572
Carrying amount as at 31.12.23	1,414,803

9. Contingent liabilities

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

10. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

In accordance with section 110 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 depreciation, amortisation, impairment losses and write-downs, 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 such assets 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 such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

10. Accounting policies - continued -

INCOME STATEMENT

Gross loss

Gross loss comprises revenue and raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise selling costs, cost of premises and administrative expenses

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation, amortisation and impairment losses

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

10. Accounting policies - continued -

	Useful life, year	Residual value DKK
Other plant, fixtures and fittings, tools and equipment	5	0

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the ‘Impairment losses on fixed assets’ section.

Income from equity investments in group entreprises

For equity investments in equity investments in subsidiaries, measured using the equity method, the share of the enterprises’ profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

Income from equity investments in equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises. The parent is the administration company for the joint taxation and thus settles all income tax payments with the tax authorities.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes.

10. Accounting policies - continued -

This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Intangible assets

Development projects in progress

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects in progress are transferred to completed development projects when the asset is ready for use.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Equity investments in group entreprises

Equity investments in subsidiaries are recognised and measured according to the equity method. For equity investments in subsidiaries, the equity method is considered a measurement method.

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments.

Under subsequent recognition and measurement of equity investments according to the equity method, equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent,

10. Accounting policies - continued -

adjusted for the remaining value of goodwill and gains and losses on transactions with the enterprises in question. Equity investments, where information for recognition according to the equity method is not known, are measured at cost.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

10. Accounting policies - continued -

Cash

Cash includes deposits in bank account.

Equity

The net revaluation of equity investments measured according to the equity method is recognized in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

An amount equivalent to internally generated development costs in the balance sheet is recognised in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount. The reserve is dissolved when the development costs are no longer recognized in the balance sheet, and the remaining amount will be transferred to retained earnings.

Current and deferred tax

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

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management’s intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

10. Accounting policies - continued -

Payables

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.