

Greenland Anorthosite Resources A/S under frivillig likvidation

Aunsøvej 6, 2665 Vallensbæk Strand

Annual report

25 April - 31 December 2019

Company reg. no. 40 47 86 47

The annual report was submitted and approved by the general meeting on the 27 May 2020.

Claus Stoltenborg
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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Management's report

Today, the managing director has presented the annual report of Greenland Anorthosite Resources A/S under frivillig likvidation for the financial year 25 April - 31 December 2019.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 25 April - 31 December 2019.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Vallensbæk Strand, 27 May 2020

Managing Director

Claus Stoltenberg

Independent auditor's report

To the shareholders of Greenland Anorthosite Resources A/S under frivillig likvidation

Opinion

We have audited the financial statements of Greenland Anorthosite Resources A/S under frivillig likvidation for the financial year 25 April - 31 December 2019, which comprise accounting policies, income statement, statement of financial position and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities for the financial year 25 April - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainties concerning the company's ability to continue as a going concern

We would like to point out that there is considerable uncertainty, as there can be considerable doubt about the company's ability to continue operations. We refer to note 1 in the financial statements stating that the financial statements have been presented with continued operations in mind. Continued operations require that the declarations of inflow of subordinated capital and liquidity, as detailed in note 1, are in fact implemented.

Our conclusion is not modified as a result of this relationship.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

Independent auditor's report

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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 27 May 2020

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Leif Tomasson

State Authorised Public Accountant
mne25346

Company information

The company

Greenland Anorthosite Resources A/S under frivillig likvidation
Aunsøvej 6
2665 Vallensbæk Strand

Company reg. no. 40 47 86 47

Financial year: 25 April 2019 - 31 December 2019

1st financial year

Managing Director

Claus Stoltenberg

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Øster Allé 42
2100 København Ø

Management commentary

The principal activities of the company

The principal activities is to be a holding company.

Uncertainties concerning the company's ability to continue as a going concern

The company's investors have indicated that they are willing to continue with the investments in the company in relation to the investor plan and the company can thus continue operating.

Development in activities and financial matters

The gross loss for the year totals DKK -87.810. Loss from ordinary activities after tax totals DKK -407.789. Management considers the loss for the year as expected.

Accounting policies

The annual report for Greenland Anorthosite Resources A/S under frivillig likvidation has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The annual report is presented in DKK. The annual report comprises the first financial year and hence comparative figures are not available.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of transaction. Exchange rate differences arising between the rate at the date of transaction and the rate at the date of payment are recognised in the income statement as an item under net financials.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Accounting policies

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Statement of financial position

Investments

Other financial instruments and equity investments

Financial instruments and equity investments recognised under non-current assets comprise listed bonds and shares measured at fair value on the reporting date. Listed financial instruments are measured at market price.

Other unlisted financial instruments are measured at cost. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Liabilities other than provisions

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income statement

All amounts in DKK.

<u>Note</u>	25/4 2019 - 31/12 2019
Gross loss	-87.810
2 Staff costs	-371.283
Operating profit	-459.093
Other financial income	6.452
Other financial costs	44.852
Net profit or loss for the year	-407.789
 Proposed appropriation of net profit:	
Allocated from retained earnings	-407.789
Total allocations and transfers	-407.789

Statement of financial position

All amounts in DKK.

Assets	<u>31/12 2019</u>
<u>Note</u>	
Non-current assets	
Equity investments in group enterprises	<u>50.000</u>
Total investments	<u>50.000</u>
Total non-current assets	<u>50.000</u>
Current assets	
Receivables from group enterprises	<u>6.813.547</u>
Total receivables	<u>6.813.547</u>
Cash on hand and demand deposits	<u>2.004.734</u>
Total current assets	<u>8.818.281</u>
Total assets	<u>8.868.281</u>

Statement of financial position

All amounts in DKK.

<u>Note</u>	<u>31/12 2019</u>
Equity and liabilities	
Equity	
3 Contributed capital	500.000
4 Retained earnings	-407.789
Total equity	<u>92.211</u>
 Liabilities other than provisions	
Payables to group enterprises	<u>8.752.582</u>
Total long term liabilities other than provisions	<u>8.752.582</u>
Trade creditors	20.000
Other payables	<u>3.488</u>
Total short term liabilities other than provisions	<u>23.488</u>
Total liabilities other than provisions	<u>8.776.070</u>
 Total equity and liabilities	 <u>8.868.281</u>

1 Uncertainties concerning the enterprise's ability to continue as a going concern

Notes

All amounts in DKK.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

The company's investors have indicated that they are willing to continue with the investments in the company in relation to the investor plan and the company can thus continue operating.

	25/4 2019 - 31/12 2019
	<hr/>
2. Staff costs	
Salaries and wages	370.887
Other costs for social security	284
Other staff costs	112
	<hr/>
	371.283
	<hr/>
Average number of employees	1
	<hr/>
3. Contributed capital	
Contributed capital 25 April 2019	500.000
	<hr/>
	500.000
	<hr/>
4. Retained earnings	
Profit or loss for the year brought forward	-407.789
	<hr/>
	-407.789
	<hr/>