
ReSea Project ApS

Virkeholm 3, DK-2730 Herlev

Annual Report for 27 November 2019 - 30 June 2020

CVR No 40 96 36 85

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
14/11 2020

Peter Skau-Andersen
Chairman of the General
Meeting



Contents

| | <u>Page</u> |
|---|-------------|
| Management's Statement and Auditor's Report | |
| Management's Statement | 1 |
| Practitioner's Statement on Compilation of Financial Statements | 2 |
| Company Information | |
| Company Information | 3 |
| Financial Statements | |
| Income Statement 27 November - 30 June | 4 |
| Balance Sheet 30 June | 5 |
| Statement of Changes in Equity | 7 |
| Notes to the Financial Statements | 8 |

Management's Statement

The Executive Board has today considered and adopted the Annual Report of ReSea Project ApS for the financial year 27 November 2019 - 30 June 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In my opinion the Financial Statements give a true and fair view of the financial position at 30 June 2020 of the Company and of the results of the Company operations for 2019/20.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Herlev, 14 November 2020

Executive Board

Christian Loumann Jensen

Practitioner's Statement on Compilation of Financial Statements

To the Management of ReSea Project ApS

We have compiled the Financial Statements of ReSea Project ApS for the financial year 27 November 2019 - 30 June 2020 on the basis of the Enterprise's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and FSR – Danish Auditors' Code of Ethics, including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Hellerup, 14 November 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Niels Henrik B. Mikkelsen

State Authorised Public Accountant

mne16675

Company Information

The Company

ReSea Project ApS
Virkeholm 3
DK-2730 Herlev

CVR No: 40 96 36 85
Financial period: 27 November - 30 June
Municipality of reg. office: Herlev

Executive Board

Christian Loumann Jensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 27 November - 30 June

| | <u>Note</u> | 27. November 2019 - 30. June 2020 <u>DKK</u> |
|---|-------------|---|
| Gross profit/loss | | 987.455 |
| Administrative expenses | 3 | <u>-640.889</u> |
| Operating profit/loss | | 346.566 |
| Profit/loss before financial income and expenses | | 346.566 |
| Financial expenses | 4 | <u>-4.115</u> |
| Profit/loss before tax | | 342.451 |
| Tax on profit/loss for the year | 5 | <u>-75.328</u> |
| Net profit/loss for the year | | <u>267.123</u> |

Distribution of profit

Proposed distribution of profit

| | |
|-------------------|-----------------------|
| Retained earnings | <u>267.123</u> |
| | <u>267.123</u> |

Balance Sheet 30 June

Assets

| | <u>Note</u> | <u>2019/20</u> DKK |
|------------------------|-------------|-----------------------|
| Trade receivables | | 912.500 |
| Receivables | | 912.500 |
| Currents assets | | 912.500 |
| Assets | | 912.500 |

Balance Sheet 30 June

Liabilities and equity

| | <u>Note</u> | <u>2019/20</u> DKK |
|--|-------------|-----------------------|
| Share capital | | 50.000 |
| Retained earnings | | 267.123 |
| Equity | | <u>317.123</u> |
| Credit institutions | | 63.159 |
| Payables to group enterprises | | 102.583 |
| Corporation tax | | 75.328 |
| Other payables | | 354.307 |
| Short-term debt | | <u>595.377</u> |
| Debt | | <u>595.377</u> |
| Liabilities and equity | | <u>912.500</u> |
| Special matters | 1 | |
| Key activities | 2 | |
| Contingent assets, liabilities and other financial obligations | 6 | |
| Accounting Policies | 7 | |

Statement of Changes in Equity

| | <u>Share capital</u> DKK | <u>Retained earnings</u> DKK | <u>Total</u> DKK |
|---|-----------------------------|-------------------------------------|---------------------|
| Equity at 27 November | 0 | 0 | 0 |
| Cash payment concerning formation of entity | 50.000 | 0 | 50.000 |
| Net profit/loss for the year | 0 | 267.123 | 267.123 |
| Equity at 30 June | 50.000 | 267.123 | 317.123 |

Notes to the Financial Statements

1 Special matters

The implications of COVID-19 with many governments across the world deciding to "close down their countries" will have great impact on the global economy.

The changed operation will have a positive effect on both the company's revenue and profit in 2020/21 compared to realized revenue and profit in 2019/20. It is currently not possible to make a reliable statement of the effect. Management considers that it has sufficient liquidity resources.

2 Key activities

The company's purpose is to initiate the collection of plastic from the oceans to keep the oceans clean as well as other related business.

3 Staff

Wages and Salaries
Other staff expenses

27. November
2019 - 30. June
2020

DKK

494.228

-7.800

486.428

Average number of employees

1

4 Financial expenses

Interest paid to group enterprises
Other financial expenses

2.583

1.532

4.115

5 Tax on profit/loss for the year

Current tax for the year

75.328

75.328

Notes to the Financial Statements

6 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of BE Loumann Holding ApS, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of ReSea Project ApS for 2019/20 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Financial Statements for 2019/20 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

7 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Notes to the Financial Statements

7 Accounting Policies (continued)

Balance Sheet

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Equity

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.