

XBM A/S
Strandvejen 246, 2920 Charlottenlund
Company reg. no. 41 01 59 69
Annual report
1 July 2020 - 31 March 2021

The annual report was submitted and approved by the general meeting on the 6 September 2021.



Søren Leerskov
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management commentary	
Company information	5
Management commentary	6
Financial statements 1 July 2020 - 31 March 2021	
Income statement	7
Statement of financial position	8
Statement of changes in equity	10
Notes	11
Accounting policies	12

Notes:

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

Management's report

Today, the board of directors and the managing director have presented the annual report of XBM A/S for the financial year 1 July 2020 - 31 March 2021.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 March 2021 and of the company's results of activities in the financial year 1 July 2020 – 31 March 2021.

We are 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.


Charlottenlund, 6 September 2021


Managing Director


Søren Leerskov

Board of directors


Ajeeva Sadasivan Nalini
Chairman


Stig Michael Öhlund


Søren Leerskov

Independent auditor's report

To the shareholders of XBM A/S

Opinion

We have audited the financial statements of XBM A/S for the financial year 1 July 2020 - 31 March 2021, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies. 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 March 2021 and of the results of the company's activities for the financial year 1 July 2020 - 31 March 2021 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.

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.

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.

Independent auditor's report

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.

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

Independent auditor's report

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, 6 September 2021

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36



Claus Carlsen

State Authorised Public Accountant
mne23451

Company information

The company

XBM A/S
Strandvejen 246
2920 Charlottenlund

Company reg. no. 41 01 59 69
Financial year: 1 July - 31 March

Board of directors

Ajeeve Sadasivan Nalini, Chairman
Stig Michael Öhlund
Søren Leerskov

Managing Director

Søren Leerskov

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Management commentary

The principal activities of the company

The company's purpose is to establish and operate trading in solid, liquid fuel and similar goods as well as other business at the managements discretion, including trading in other raw materials for industry and agriculture.

Development in activities and financial matters

The gross loss for the year totals USD -210.000 against USD 9.000 last year. Income or loss from ordinary activities after tax totals USD -208.000 against USD -61.000 last year.

The activity of the company has begun during the financial year. The loss for the period is a derivative effect of start-up costs.

The management expects substantial positive results already for the next financial year.

Income statement

All amounts in USD.

<u>Note</u>	1/7 2020 - 31/3 2021	1/7 2019 - 30/6 2020
Gross profit	-209.891	8.787
1 Staff costs	-47.483	-37.174
Operating profit	-257.374	-28.387
Other financial income	2.972	0
Other financial costs	-12.530	-50.276
Pre-tax net profit or loss	-266.932	-78.663
Tax on net loss for the year	58.796	17.204
Net profit or loss for the year	-208.136	-61.459
Proposed appropriation of net profit:		
Allocated from retained earnings	-208.136	-61.459
Total allocations and transfers	-208.136	-61.459

Statement of financial position

All amounts in USD.

Assets		
<u>Note</u>	<u>31/3 2021</u>	<u>30/6 2020</u>
Current assets		
Raw materials and consumables	4.707.946	0
Prepayments for goods	568.592	0
Total inventories	<u>5.276.538</u>	<u>0</u>
Receivables from group enterprises	3.913.329	2.906.283
Deferred tax assets	76.000	17.204
Other receivables	534.848	0
Prepayments and accrued income	0	1.020
Total receivables	<u>4.524.177</u>	<u>2.924.507</u>
Cash on hand and demand deposits	<u>1.295.695</u>	<u>25.225</u>
Total current assets	<u>11.096.410</u>	<u>2.949.732</u>
Total assets	<u>11.096.410</u>	<u>2.949.732</u>

Statement of financial position

All amounts in USD.

Equity and liabilities		
<u>Note</u>	<u>31/3 2021</u>	<u>30/6 2020</u>
Equity		
Contributed capital	754.572	754.572
Retained earnings	1.976.465	2.184.601
Total equity	<u>2.731.037</u>	<u>2.939.173</u>
 Liabilities other than provisions		
Trade payables	4.980.972	1.811
Other payables	3.384.401	8.748
Total short term liabilities other than provisions	<u>8.365.373</u>	<u>10.559</u>
Total liabilities other than provisions	<u>8.365.373</u>	<u>10.559</u>
 Total equity and liabilities	<u>11.096.410</u>	<u>2.949.732</u>

Statement of changes in equity

All amounts in USD.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 July 2020	754.572	2.184.601	2.939.173
Retained earnings for the year	0	-208.136	-208.136
	<u>754.572</u>	<u>1.976.465</u>	<u>2.731.037</u>

Notes

All amounts in USD.

	1/7 2020 - 31/3 2021	1/7 2019 - 30/6 2020
	<u> </u>	<u> </u>
1. Staff costs		
Salaries and wages	47.060	36.974
Other costs for social security	236	200
Other staff costs	187	0
	<u>47.483</u>	<u>37.174</u>
 Average number of employees	 <u>1</u>	

Accounting policies

The annual report for XBM A/S 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.

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.

Currency

The annual report is presented in USD. The exchange rate is 634,31 as at 31.02.2021 and 662,62 as at 30.06.2020.

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. Inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories, other operating income, and external costs.

Accounting policies

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

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

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 are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

Accounting policies

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

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

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Accounting policies

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.