

LiqTech Ceramics A/S

Industriparken 22 C
2750 Ballerup
Denmark

CVR no. 41 03 80 71

Annual report for the period 20 December – 31 December 2019

The annual report was presented and approved at the
Company's annual general meeting on

13 May 2020

chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of LiqTech Ceramics A/S for the financial period 20 December – 31 December 2019.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial period 20 December – 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

13 May 2020
Executive Board:

Claus Toftegaard
Adm. dir.

Board of Directors:

Sune Mathiesen
Chairman

Paw Juul

Claus Toftegaard

Independent auditor's report

To the shareholders of LiqTech Ceramics A/S

Opinion

We have audited the financial statements of LiqTech Ceramics A/S for the financial period 20 December – 31 December 2019 comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial period 20 December – 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 (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 that 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 audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company 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.

Independent auditor's report

- obtain an understanding of 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 use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to 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 the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and 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 internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is 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 audit, 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 of the Management's review.

Aalborg, 13 May 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Steffen S. Hansen
State Authorised
Public Accountant
mne32737

LiqTech Ceramics A/S
Annual report 2019
CVR no. 41 03 80 71

Management's review

Company details

LiqTech Ceramics A/S
Industriparken 22 C
2750 Ballerup
Denmark

CVR no.: 41 03 80 71
Established: 20 December 2019
Financial period: 20 December – 31 December

Board of Directors

Sune Mathiesen, Chairman
Paw Juul
Claus Toftegaard

Executive Board

Claus Toftegaard, Adm. dir.

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havnegade 18
DK-9000 Aalborg
Denmark

Financial statements 20 December – 31 December

Income statement

DKK	Note	20.12.19- 31.12.2019
Gross profit/loss		<u>-670</u>
Profit/loss before tax		<u>-670</u>
Tax on profit/loss for the year		<u>0</u>
Profit/loss for the year		<u><u>-670</u></u>
Proposed profit appropriation/distribution of loss		
Retained earnings		<u>-670</u>
		<u><u>-670</u></u>

Financial statements 20 December – 31 December

Balance sheet

DKK	Note	2019
ASSETS		
Current assets		
Cash at bank and in hand		499,330
Total current assets		<u>499,330</u>
TOTAL ASSETS		<u><u>499,330</u></u>
EQUITY AND LIABILITIES		
Equity		
Contributed capital		500,000
Retained earnings		<u>-670</u>
Total equity		<u>499,330</u>
TOTAL EQUITY AND LIABILITIES		<u><u>499,330</u></u>
Principal activities	2	

Financial statements 20 December – 31 December

Notes

1 Accounting policies

The annual report of LiqTech Ceramics A/S for 2019 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Other external costs

Other external costs comprise distribution costs and costs related to administration etc.

Cash at bank and in hand

Cash and cash equivalents comprise cash.

Equity

Equity comprise contributed capital and retained earnings.

2 Principal activities

The company's purpose is to conduct industrial research and manufacturing activities as well as trade in ceramic elements and related activities.

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Paw Juul

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NEM ID 

Claus Toftegaard

Adm. direktør

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Claus Toftegaard

Bestyrelsesmedlem

På vegne af: LiqTech Ceramics A/S

Serienummer: PID:9208-2002-2-170439798814

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NEM ID 

Sune Mathiesen

Bestyrelsesformand

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NEM ID 

Steffen Sjørslev Hansen

Statsautoriseret revisor

På vegne af: KPMG Statsautoriseret Revisionspartnerselskab

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Claus Toftegaard

Dirigent

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