

# LiqTech Water Projects A/S

Benshøj Industrivej 24  
DK-9500 Hobro

CVR no. 41 56 53 81

**Annual report for the period 28 July – 31 December 2020**

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

14 July 2021

Claus Toftegaard  
Chairman

## **Contents**

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Company details	5
Financial statements 28 July – 31 December	6
Income statement	6
Balance sheet	7
Notes	8

**LiqTech Water Projects A/S**  
Annual report 2020  
CVR no. 41 56 53 81

## **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 Water Projects A/S for the financial period 28 July – 31 December 2020.

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 2020 and of the results of the Company's operations for the financial period 28 July – 31 December 2020.

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

Hobro 14 July 2021  
Executive Board:

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Claus Toftegaard  
CEO

Board of Directors:

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Sune Mathiesen  
Chairman

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Rikke Holgersen Feld

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Claus Toftegaard

## Independent auditor's report

### To the shareholders of LiqTech Water Projects A/S

#### Opinion

We have audited the financial statements of LiqTech Water Projects A/S for the financial period 28 July – 31 December 2020 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 2020 and of the results of the Company's operations for the financial period 28 July – 31 December 2020 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.

Aalborg, 14 July 2021

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Steffen S. Hansen  
State Authorised  
Public Accountant  
mne32737

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Annual report 2020  
CVR no. 41 56 53 81

## Company details

LiqTech Water Projects A/S  
Benshøj Industrivej 24  
9500 Hobro  
Denmark

Telephone: 44986600  
Fax: 44986061  
Website: [www.liqtech.com](http://www.liqtech.com)  
E-mail: [info@liqtech.com](mailto:info@liqtech.com)

CVR no.: 41 56 53 81  
Established: 28 July 2020  
Registered office: Hobro  
Financial period: 28 July – 31 December

### Board of Directors

Sune Mathiesen, Chairman  
Rikke Holgersen Feld  
Claus Toftegaard

### Executive Board

Claus Toftegaard, CEO

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Østre Havnegade 18  
DK-9000 Aalborg  
Denmark  
CVR no. 25 57 81 98

## Financial statements 28 July – 31 December

### Income statement

DKK	Note	28/7-31/12 2020
Other financial expenses		<u>-1,122</u>
<b>Profit/loss before tax</b>		<u>-1,122</u>
Tax on profit/loss for the year		<u>0</u>
<b>Profit/loss for the year</b>		<u><u>-1,122</u></u>
<b>Proposed profit appropriation/distribution of loss</b>		
Retained earnings		<u><u>-1,122</u></u>

## Financial statements 28 July – 31 December

### Balance sheet

DKK	Note	2020
<b>ASSETS</b>		
<b>Current assets</b>		
Cash at bank and in hand		498,878
<b>Total current assets</b>		<u>498,878</u>
<b>TOTAL ASSETS</b>		<u><u>498,878</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Contributed capital		500,000
Retained earnings		<u>-1,122</u>
<b>Total equity</b>		<u>498,878</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>498,878</u></u>



## Financial statements 28 July – 31 December

### Notes

#### 1 Accounting policies

The annual report of LiqTech Water Projects A/S for 2020 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

#### Principal activities

The Company's principal activity is to conduct trade, industry and investment activities within commercial water treatment as well as activities which, in Management's opinion, are related to this.

#### Gross profit

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

#### Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

#### Balance sheet

##### Cash at bank and in hand

Cash and cash equivalents comprise cash.

##### Equity

Equity comprise contributed capital and retained earnings.