

SJM IP ApS

Forhåbningssholms Alle 19, 1. th

1904 Frederiksberg C

CVR No. 41933038

Annual Report 2023

3. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 27 June 2024

Matthew Stanley Johnson
Chairman

SJM IP ApS

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SJM IP ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of SJM IP ApS for the financial year 1 January 2023 - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

In my opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

The conditions for not conducting an audit of the Financial Statement have been met.

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

Frederiksberg, 27 June 2024

Executive Board

Matthew Stanley Johnson
Manager

SJM IP ApS

Company details

Company	SJM IP ApS Forhåbningsholms Alle 19, 1. th 1904 Frederiksberg C
CVR No.	41933038
Date of formation	11 December 2020
Registered office	Frederiksberg
Executive Board	Matthew Stanley Johnson, Manager

Management's Review

The Company's principal activities

The Company's principal activities consist in to administer patent rights and conduct related activities in connection with inventions which render methane harmless, as well as carry out other related activities.

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK -20.327 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 125.476 and an equity of DKK 3.738.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Uncertainties relating to going concern

The company has lost more than 50% of its share capital and hence subject to the rules regarding loss of capital in the danish companies Act. The management expects the reestablishing of the capital in 3 to 4 years, by the company's own earning.

The company is dependent on that required funding is provided by the shareholders. The management expects that the funds needed are provided and in compliance hereby submit the annual financial statement under the assumption of continued operation

Accounting Policies

Reporting Class

The annual report of SJM IP ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C..

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income statement

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Other external expenses

Other external expenses include expenses for administration etc.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Completed development projects

Development projects that are clearly defined and identifiable, and where the degree of technical utilization, sufficient resources and a potential future market or development potential in the Company are provable and where the intention is to manufacture, market or use the product or process are recognised as intangible assets if the value in use can be determined reliably and it is sufficiently certain that future earnings can cover production, sales and administration costs as well as total development costs.

Other development costs are recognised as costs in the income statement as they incur.

Development costs comprise costs, including wages, salaries and amortization, that are directly or indirectly attributable to the development activities of the enterprise and meet the recognition criteria.

Capitalized development costs are measured at cost on initial recognition and subsequently at the lower of cost less accumulated amortization and the recoverable amount.

Equity investments in group enterprises and associates

Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realizable value, a write-down to this lower value will be performed.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Accounting Policies

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Liabilities

Payables are measured at amortized cost, which usually corresponds to the nominal value.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2023 kr.	2022 kr.
Gross profit		-20.979	-1.192
Profit from ordinary operating activities		<u>-20.979</u>	<u>-1.192</u>
Other finance income		-5.081	0
Profit from ordinary activities before tax		<u>-26.060</u>	<u>-1.192</u>
Tax expense on ordinary activities		5.733	263
Profit		<u>-20.327</u>	<u>-929</u>
Proposed distribution of results			
Retained earnings		<u>-20.327</u>	<u>-929</u>
Distribution of profit		<u>-20.327</u>	<u>-929</u>

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Assets			
Development projects in progress		51.000	51.000
Intangible assets		51.000	51.000
Long-term investments in group enterprises	3	16.000	16.000
Investments		16.000	16.000
Fixed assets		67.000	67.000
Current deferred tax		10.228	4.495
Other short-term receivables		39.062	39.062
Receivables		49.290	43.557
Cash and cash equivalents		9.186	34.746
Current assets		58.476	78.303
Assets		125.476	145.303

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Contributed capital		40.000	40.000
Retained earnings		-36.262	-15.935
Equity	1	3.738	24.065
Trade payables		121.738	121.238
Short-term liabilities other than provisions		121.738	121.238
Liabilities other than provisions within the business		121.738	121.238
Liabilities and equity		125.476	145.303
Contingent liabilities	4		
Collaterals and assets pledges as security	5		

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	40.000	-15.935	24.065
Profit (loss)	0	-20.327	-20.327
Equity 31 December 2023	40.000	-36.262	3.738

The share capital has remained unchanged since the foundation

Notes**2023****2022****1. Uncertainties relating to going concern**

The company has lost more than 50% of its share capital and hence subject to the rules regarding loss of capital in the Danish Companies Act. The management expects the reestablishing of the capital in 3 to 4 years, by the company's own earnings.

The company is dependent on that required funding is provided by the shareholders. The management expects that the funds needed are provided and in compliance hereby submit the annual financial statement under the assumption of continued operation.

2. Employee benefits expense

Average number of employees

11**3. Disclosure in long-term investments in group enterprises and associates***Group enterprises*

Name	Registered office	Share held in %
Ambient Carbon Methane	Frederiksberg	40,00

4. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

5. Collaterals and securities

No securities or mortgages exist at the balance sheet date.