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# ***NAIP West Exploration A/S***

C/O Arctic Law Greenland ApS  
Issortarfimmut 6, DK-3905

## **Annual Report for 18 June - 31 December 2021**

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CVR No 42 47 53 78

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
31/05 2022

Sebastian Andrew Marr  
Chairman of the General  
Meeting



**pwc**

# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report	2
<b>Company Information</b>	
Company Information	5
Management's Review	6
<b>Financial Statements</b>	
Income Statement 18 June - 31 December	7
Balance Sheet 31 December	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of NAIP West Exploration A/S for the financial year 18 June - 31 December 2021.

The Annual Report is prepared in accordance with the Greenlandic Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

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

Nuussuaq, 31 May 2022

## Executive Board

Sebastian Andrew Marr  
Executive Officer

## Board of Directors

Jannik Isidor  
Chairman

Jens Meinert Dehn Paulsen

Sebastian Andrew Marr

# Independent Auditor's Report

To the Shareholder of NAIP West Exploration A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 18 June - 31 December 2021 in accordance with the Greenlandic Financial Statements Act.

We have audited the Financial Statements of NAIP West Exploration A/S for the financial year 18 June - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Greenland. 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Greenland, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Greenlandic Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Greenlandic Financial Statements Act. We did not identify any material misstatement in Management's Review.

## Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Greenlandic Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material mis-

# Independent Auditor's Report

statement, 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 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 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 applicable in Greenland 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Greenland, we exercise professional judgement 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 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

## Independent Auditor's Report

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.

Hellerup, 31 May 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Søren Alexander  
statsautoriseret revisor  
mne42824

Frederik Tvedeskov Jantzen  
statsautoriseret revisor  
mne47815

## **Company Information**

### **The Company**

NAIP West Exploration A/S  
C/O Arctic Law Greenland ApS  
Issortarfimmut 6  
DK-3905

CVR No: 42 47 53 78  
Financial period: 18 June - 31 December  
Municipality of reg. office: Nuussuaq

### **Board of Directors**

Jannik Isidor, Chairman  
Jens Meinert Dehn Paulsen  
Sebastian Andrew Marr

### **Executive Board**

Sebastian Andrew Marr

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

# **Management's Review**

## **Key activities**

The company's purpose is to conduct business within mineral exploration as well as other related business at the discretion of the Board.

## **Development in the year**

The income statement of the Company for 2021 shows a loss of DKK 73,970, and at 31 December 2021 the balance sheet of the Company shows equity of DKK 426,030.



## Income Statement 18 June - 31 December

	<u>Note</u>	<u>2021</u> DKK
Other external expenses		-73.970
<b>Gross profit/loss</b>		<b>-73.970</b>
<b>Profit/loss before tax</b>		<b>-73.970</b>
Tax on profit/loss for the year		0
<b>Net profit/loss for the year</b>		<b>-73.970</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		-73.970
		<b>-73.970</b>

# Balance Sheet 31 December

	<u>Note</u>	<u>2021</u> DKK
<b>Assets</b>		
Cash at bank and in hand		<u>432.030</u>
Currents assets		<u>432.030</u>
<b>Assets</b>		<u>432.030</u>
 <b>Liabilities and equity</b>		
Share capital		500.000
Retained earnings		<u>-73.970</u>
<b>Equity</b>		<u>426.030</u>
Other payables		<u>6.000</u>
<b>Short-term debt</b>		<u>6.000</u>
<b>Debt</b>		<u>6.000</u>
<b>Liabilities and equity</b>		<u>432.030</u>
Accounting Policies	2	

## Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 18 June	0	0	0
Cash payment concerning formation of entity	500.000	0	500.000
Net profit/loss for the year	0	-73.970	-73.970
<b>Equity at 31 December</b>	<b>500.000</b>	<b>-73.970</b>	<b>426.030</b>

# Notes to the Financial Statements

## 1 Staff expenses

Average number of employees

1

# Notes to the Financial Statements

## 2 Accounting Policies

The Annual Report of NAIP West Exploration A/S for 2021 has been prepared in accordance with the provisions of the Greenlandic Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 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.

## Income Statement

### Other external expenses

Other external expenses comprise administrative expenses such as consultants fees etc.

### Gross profit/loss

With reference to section 32 of the Greenlandic Financial Statements Act, gross profit/loss is calculated as a summary of other external expenses.

### 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 and foreign subsidiaries. The tax effect of the

## **Notes to the Financial Statements**

### **2 Accounting Policies** (continued)

joint taxation is allocated to enterprises in proportion to their taxable incomes.

## **Balance Sheet**

### **Financial debts**

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