

Envecon Europe ApS

Teglholm Allé 9E, 4. th., 2450 København SV

Company reg. no. 35 39 87 83

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 20 May 2022.

Rajesh Nair
Chairman of the meeting

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's statement

Today, the managing director has presented the annual report of Envecon Europe ApS for the financial year 1 January - 31 December 2021.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the company's results of activities in the financial year 1 January – 31 December 2021.

The managing director consider the conditions for audit exemption of the 2021 financial statements to be met.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

København SV, 20 May 2022

Managing Director

Rajesh Nair
CEO

Practitioner's compilation report

To the Shareholder of Envecon Europe ApS

We have compiled the financial statements of Envecon Europe ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping and on information you have provided.

These financial statements comprise income statement, balance sheet, notes and a summary of significant accounting policies.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Hillerød, 20 May 2022

Grant Thornton

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

Mai Britt Nygaard

State Authorised Public Accountant
mne42813

Company information

The company

Envecon Europe ApS
Teglholm Allé 9E, 4. th.
2450 København SV

Company reg. no. 35 39 87 83
Financial year: 1 January - 31 December

Managing Director

Rajesh Nair, CEO

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Nordstensvej 11
3400 Hillerød

Parent company

Envecon Global ApS

Management's review

The principal activities of the company

Like previous years, the activities is to run business with IT service, including consulting and trading as well related business.

Development in activities and financial matters

The gross loss for the year totals DKK -54.281 against DKK -22,131 last year. Income or loss from ordinary activities after tax totals DKK -99.299 against DKK -64.134 last year. Management considers the net profit or loss for the year unsatisfactory.

Capital resources and capital losses

The company has received commitments regarding financial support for the financial year 2022. The commitment is given from the total group of owners so that the company is not able to meet its obligations as they is due in 2022. On this basis, the accounts have been prepared in accordance with the principles of continued operations.

Events occurring after the end of the financial year

No events have occurred after the end of the financial year that could significantly affect the company's financial position.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Gross profit	-54.281	-22.131
1 Staff costs	-30.660	-41.023
Operating profit	-84.941	-63.154
Other financial expenses	-18.059	-980
Pre-tax net profit or loss	-103.000	-64.134
Tax on net profit or loss for the year	3.701	0
Net profit or loss for the year	-99.299	-64.134
Proposed appropriation of net profit:		
Allocated from retained earnings	-99.299	-64.134
Total allocations and transfers	-99.299	-64.134

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2021</u>	<u>2020</u>
Non-current assets		
Deposits	0	36.619
Total investments	0	36.619
Total non-current assets	0	36.619
Current assets		
Trade receivables	0	109.890
Other receivables	21.391	8.367
Total receivables	21.391	118.257
Cash and cash equivalents	86.236	70.044
Total current assets	107.627	188.301
Total assets	107.627	224.920

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2021</u>	<u>2020</u>
Equity		
Contributed capital	80.000	80.000
Retained earnings	-1.145.150	-1.045.851
Total equity	-1.065.150	-965.851
Liabilities other than provisions		
Payables to subsidiaries	1.150.267	1.180.577
Income tax payable	0	3.701
Other payables	22.510	6.493
Total short term liabilities other than provisions	1.172.777	1.190.771
Total liabilities other than provisions	1.172.777	1.190.771
Total equity and liabilities	107.627	224.920

2 Contingencies

Notes

All amounts in DKK.

	2021	2020
1. Staff costs		
Salaries and wages	30.000	41.023
Other costs for social security	660	0
	30.660	41.023
 Average number of employees	 1	 1

2. Contingencies

Joint taxation

With Envecon Global ApS, company reg. no 35398775 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

Accounting policies

The annual report for Envecon Europe ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises.

The accounting policies are unchanged from last year, except for a few presentation changes, and the annual report is presented in DKK.

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.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

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.

Accounting policies

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.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

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

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

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.

Accounting policies

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.

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.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

According to the rules of joint taxation, Envecon Europe ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

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.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

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.

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.

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"By my signature I confirm all dates and content in this document."

Rajesh Nair

Direktør og dirigent

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