

AHT Syngas Technology N.V.

Eindhoven

ANNUAL ACCOUNTS

2018

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AHT Syngas Technology N.V.**BALANCESHEET FOR THE YEAR***(after appropriation of the results)*

	<u>2018</u> €	<u>2017</u> €
ASSETS		
A. Non-Current assets		
Intangible fixed assets	716.786	819.184
Tangible fixed assets	8.426	13.693
Financial fixed assets	13.448	13.448
B. Current assets		
Receivables, including prepayments	822.221	764.641
Cash and cash equivalents	221.181	16.717
Total	<u><u>1.782.062</u></u>	<u><u>1.627.683</u></u>

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AHT Syngas Technology N.V.**BALANCESHEET FOR THE YEAR***(after appropriation of the results)*

	<u>2018</u> €	<u>2017</u> €
SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES		
A. Shareholders' equity		
Issued and paid share capital	1.500.000	1.500.000
Share premium reserves	4.350.727	4.350.727
Legal reserves	716.786	819.184
Other reserves	-5.897.336	-6.232.009
B. Short-term liabilities and accrued liabilities	1.111.885	1.189.781
Total	<u><u>1.782.062</u></u>	<u><u>1.627.683</u></u>

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AHT Syngas Technology N.V.**PROFIT AND LOSS ACCOUNTS**

	<u>31.12.2018</u>	<u>31.12.2017</u>
	€	€
Gross Margin	329.281	58.812
Amortisation/depreciation of (in)tangible fixed assets	107.665	104.505
Other changes in value of (in)tangible fixed assets	-	-
Impairment of current assets	-	-
Other operating expenses	148.427	100.053
Total operating expenses	256.092	204.558
Other interest income and similar income	-	-
Interest expenses and similar charges	8.250	1.734
Total financial income and expenses	8.250	1.734
Result before taxation	64.939	-147.480
Taxation	-	-
Share in result of participations	-	-
Net result for the year	64.939	-147.480

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AHT Syngas Technology N.V.

ACCOUNTING POLICIES

General

The company was established on July 23, 2007 as a public limited company.

Registered office

The company has its registered office in Eindhoven, the Netherlands.

Activities of the company

The company mainly acts as a holding and financing company. The execution of the project activities takes place in the administrative office of AHT Syngas Technology N.V., which is established in Overath, Germany.

Financial year

The financial year of the company runs from January 1, 2018 to December 31, 2018.

Accounting principles for the balance sheet

The financial statements have been prepared in accordance with the provisions of Title 9 Book 2 of the Dutch Civil Code. The general basis for the valuation of assets and liabilities, as well as for the determination of the result, is the acquisition cost, historical cost or at fair value at the time of acquisition. Unless stated otherwise, assets and liabilities are included at historical cost.

The financial statements are prepared in euros.

Intangible fixed assets

Intangible fixed assets are valued at historical costs, less linear amortization. Impairments are taken into consideration, as this is relevant in the event that the carrying amount of the asset (or of the cash generating unit to which the asset belongs) is higher than its realizable value.

Tangible fixed assets

The tangible fixed assets are valued at purchase value, less linear depreciation, based on the expected economic life, and if applicable with impairments. Depreciation takes place according to time in the year of investment.

In determining depreciation, the following expected economic lifetimes are taken into account:

Inventory	5 years
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Work in progress

Work in progress concerns projects commissioned by third parties. These are valued at cost plus profit recognized up to then, in proportion to the progress of the project, less expected losses and less invoiced installments. In case losses on projects are expected, the total expected loss on the project is recognized directly as an expense in the relevant period. The cost includes all costs that are directly related to the projects.

Revenues resulting from additional work are included in the total contract revenues if the amount has been accepted by the client in any way. Claims and incentives are valued in work in progress to the extent that it is likely that they will lead to revenue and can be reliably determined.

Interest and development costs for work in progress are only capitalized if the asset is under construction. If no manufacturing activities take place during a longer period, interest and development costs are no longer capitalized.

The capitalized gain on work in progress is based on the expected end result, taking into account the progress percentage. The progress percentage consists of the ratio of booked costs to the total expected costs, to be viewed separately for each project.

Current assets

The receivables are initially recognized at fair value and subsequently valued at amortized cost, which is equal to the nominal value, after deduction of the provisions deemed necessary for the risk of bad debts.


Cash and cash equivalents

The cash and cash equivalents, unless otherwise stated, are at the free disposal of the company.

Short term liabilities and accrued liabilities

The short-term liabilities and accrued liabilities have an expected term of at most one year, unless stated otherwise in the notes.

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AHT Syngas Technology N.V.

Accounting principles for the profit and loss account

General

The result is determined as the difference between the net turnover and all related costs attributable to the reporting year. The costs are determined with due observance of the aforementioned accounting policies.

Profits are recognized in the year in which the turnover is realized. Losses are taken into account in the year in which they are foreseeable.

The other income and expenses are allocated to the reporting period to which they relate.

Work in progress

The agreed revenue and costs with regard to work in progress are recognized in the income statement in proportion to the stage of completion of the project. The stage of completion is determined on the basis of the ratio of booked costs to the total expected costs.

If the outcome of a contract cannot be reliably determined, contractual revenue is only recognized to the extent that it is probable that the costs incurred can be recovered. Expected losses on projects are immediately recognized in the profit and loss account.

Revenues resulting from additional work are included in the total contract revenues if the amount has been accepted by the client in any way. Claims and incentives are valued in work in progress to the extent that it is likely that they will lead to revenue and can be reliably determined.

Interest income and expenses

The financial income and expenses concern received (to be received) and paid (to be paid) interest.

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AHT Syngas Technology N.V.**NOTES ON THE BALANCE SHEET****Intangible fixed assets**

Engineering Designs	Total
	€
Purchase value per 1-1-2018	1.023.980
Cum. Amortisation per 1-1-2018	-204.796
Bookvalue per 1-1-2018	<u>819.184</u>
Investments	-
Amortisation	-102.398
Impairment	-
Mutations during the year	<u>-102.398</u>
Purchase value per 31-12-2018	1.023.980
Cum. Amortisation per 31-12-2018	-307.194
Bookvalue per 31-12-2018	<u>716.786</u>

Tangible fixed assets

Inventory	Total
	€
Purchase value per 1-1-2018	15.800
Cum. Amortisation per 1-1-2018	-2.107
Bookvalue per 1-1-2018	<u>13.693</u>
Investments	-
Depreciation	-5.267
Impairment	-
Mutations during the year	<u>-5.267</u>
Purchase value per 31-12-2018	15.800
Cum. Amortisation per 31-12-2018	-7.374
Bookvalue per 31-12-2018	<u>8.426</u>

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AHT Syngas Technology N.V.**Current assets**

	31.12.2018	31.12.2017
	€	€
Trade debtors	512.725	727.247
Receivables, including prepayments	309.496	37.394
Cash and cash equivalents	221.181	16.717
Total	1.043.402	781.358

Trade debtors	31.12.2018	31.12.2017
	€	€
Trade debtors	947.977	727.247
Provision for doubtful debtors	-435.252	-
Total	512.725	727.247

Cash and cash equivalents	31.12.2018	31.12.2017
	€	€
Cash at bank	221.181	16.717
Total	221.181	16.717

The cash and cash equivalents are at the free disposal of the company.

Shareholders' equity

	31.12.2018	31.12.2017
	€	€
Issued and paid share capital	1.500.000	1.500.000
Share premium reserves	4.350.727	4.350.727
Legal reserves	716.786	819.184
Other reserves	-5.897.336	-6.232.009
Total	670.177	437.902

The company paid up 1.500.000 ordinary shares with a nominal value of EUR 1,00 per share.

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AHT Syngas Technology N.V.

Legal reserves	Total
Carrying amount as of January 1, 2018	819.184
Movement (depreciation intangible fixed assets)	-102.398
Carrying amount as of December 31, 2018	<u>716.786</u>

A legal reserve has been formed within equity with regard to the recognised development of engineering designs.

Other reserves	Total
	€
Carrying amount as of January 1, 2018	-6.232.009
Allocation of financial year net result	64.939
Movement legal reserve	102.398
Corrections during the year	167.333
Carrying amount as of December 31, 2018	<u>-5.897.339</u>

Short-term liabilities and accrued liabilities

	31.12.2018	31.12.2017
	€	€
Trade creditors	99.239	98.248
Payables to related parties	486.584	1.081.099
Deferred income	449.860	-
Other liabilities	76.202	10.434
Total	<u>1.111.885</u>	<u>1.189.781</u>

Rights and obligations not reflected in the balance sheet

The company has an annual rental obligation of € 30.000 (2017: € 16.000).

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AHT Syngas Technology N.V.**NOTES ON THE PROFIT AND LOSS ACCOUNTS****Staff**

During the year the company had no employees (2017: 0) in the Netherlands. As per balance sheet date there are 5 employees working for the administrative office of AHT Syngas Technology N.V., which is established in Overath, Germany.

Depreciation and amortisation of (in)tangible assets


	31.12.2018	31.12.2017
	€	€
Amortisation of intangible assets	102.398	102.398
Depreciation of tangible assets	5.267	2.107
	<u>107.665</u>	<u>104.505</u>

Other operating expenses

	31.12.2018	31.12.2017
	€	€
Rent	29.711	16.049
Office costs	4.705	8.967
Accountant and administration costs	2.100	3.595
Advisory fees	37.353	28.091
Other general expenses	74.558	43.252
	<u>148.427</u>	<u>99.954</u>

Eindhoven, 28-06-2019

Signed on behalf of AHT Syngas Technology N.V.,


Ferges, G.B.
CEO

McDevitt, K.P.
Supervisory Board

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AHT Syngas Technology N.V.


OTHER INFORMATION

Statutory regulations on the appropriation of the result

Article 15 of the Articles of Association stipulates that the annual profit achieved is at the free disposal of the general meeting.

As such we propose to allocate the profit for the year 2018 to the other reserves. This has already been taken into account in the financial statement 2018.

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INDEPENDENT AUDITOR'S REPORT

To: The shareholders and supervisory board of AHT Syngas Technology N.V.

A. Report on the audit of the financial statements 2018 included in the annual report

Our disclaimer of opinion

We were engaged to audit the financial statements 2018 of AHT Syngas Technology N.V. based in Eindhoven.

We do not express an opinion on the accompanying financial statements of the company. Due to the significance of the matters described in the 'Basis for our disclaimer of opinion' section, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying financial statements as a whole.

The financial statements comprise of:

- the balance sheet as at December 31, 2018;
- the profit and loss account for 2018; and
- the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our disclaimer of opinion

We have not been able to express an opinion retrospectively about whether the balance sheet as at December 31, 2017 gives a true and fair view of the financial position, which opinion can serve as a basis for the audit of the financial statements for the year 2018. If the amounts shown in the balance sheet mentioned were to require adjustment, this would directly affect the results reported for the year 2018. Both the composition and the amount of the result for 2017 therefore remain uncertain.

We are independent of AHT Syngas Technology N.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

Unaudited corresponding figures

We have not audited the financial statements 2017. Consequently, we have not audited the corresponding figures included in the profit and loss account, in the statements of changes and in the related notes.

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B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the management report;
- other information;

Due to the significance of the matters described in the 'Basis for our disclaimer of opinion' section, we have not been able to consider in accordance with Part 9 of Book 2 of the Civil Code whether or not the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We were engaged to read the other information and, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, to consider whether the other information contains material misstatements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities regarding the financial statements


Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

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Our responsibilities for the audit of the financial statements

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with Dutch law, including the Dutch Standards on Auditing. However, due to the matters described in the 'Basis for our disclaimer of opinion' section, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

July 1, 2019,

Signed on behalf of
010ACCOUNTANTS
Rotterdam


A.N. Chaudhry MSc. RA

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