

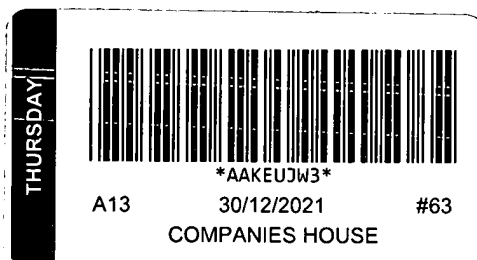
REGISTERED NUMBER: 07216586

**ALLGREENTECH INTERNATIONAL LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2020**



	Page
Officers and Professional Advisors	2
Strategic Report	3
Report of the Directors	5
Report of the Independent Auditor	7
Consolidated Statement of Comprehensive Income	10
Consolidated and Company Statement of Financial Position	11
Consolidated and Company Statements of Changes in Equity	13
Consolidated and Company Statements of Cash Flows	15
Notes to the Financial Statements	17

**ALLGREENTECH INTERNATIONAL LIMITED****OFFICERS AND PROFESSIONAL ADVISORS****Directors**

Ms M Kaur  
G Singh

**Secretary**

Tricor Corporate Secretaries Limited

**Registered Office**

Tricor Suite  
4<sup>th</sup> Floor  
50 Mark Lane  
London  
EC3R 7QR

**Independent Auditor**

PKF Littlejohn LLP  
Statutory Auditor  
15 Westferry Circus  
Canary Wharf  
London  
E14 4HD

**Registered Number**

07216586

The Directors of the Company and its subsidiary undertakings (which together comprise the Group) present their Strategic Report on the Group for the year ended 31 December 2020.

### Principal Activities

The principal activity of the Group is hot dip metal galvanising.

The principal activity of the Company continued to be that of an investment holding company.

### Results and Dividends

The loss for the year before taxation amounted to £2,823,411 (2019 – profit of £189,114). The loss after taxation amounted to £2,805,364 (2019 – profit of £118,156). No dividends were paid in the year (2019 - £nil).

### Organisation Review

The Board is responsible for providing strategic direction for the Group. This incorporates setting out objectives, management policies and performance criteria. The Board assesses its performance against these on a monthly basis.

The Directors who held office during the year were as follows:

Ms M Kaur  
G Singh

### Review of the Business

During the year the Group maintained their Malaysian Ringgit denominated trading activity within its principal market of steel galvanising. The Group continued to invest in infrastructure whilst maintaining close control over working capital. On 11 March 2020, the World Health Organisation declared the Coronavirus (COVID-19) outbreak as a pandemic in recognition of its rapid spread across the globe. On 16 March 2020, the Malaysian Government imposed the Movement Control Order (“MCO”) starting 18 March 2020 to curb the spread of the COVID-19 outbreak in Malaysia. The MCO also resulted in travel restrictions, lockdown and other precautionary measures.

The Group was significantly impacted by COVID-19. The Group temporarily shut down its premises from 18 March 2020 in accordance with the MCO policy. The Group’s operations resumed gradually from early May 2020 with proper standard operating procedures put in place and achieved full operation in the same month. The disruption to operations during the financial year 2020 due to COVID-19 is demonstrated by the financial result of the Group. The impact is ongoing as the Group continues to seek support from their vendors and business partners to address their cash flow requirements.

### Key Performance Indicators

The Board monitors the overall performance of the Group by reference to Key Performance Indicators (“KPIs”). KPIs for the year, together with comparative data, are presented below:

Key area	Activity	KPI indicator	Commentary
Revenue	Monitoring sales against budget and prior years on a daily, weekly and monthly basis	Turnover	Group revenues from its principal activities decreased by 21% during the year as a result of the MCO in Malaysia from 18 March to 3 May 2020. During the year, all steel galvanising sales were sold to third party customers, compared to 50% in 2019.
Gross profit margin	Analysis of sales by activity	Gross Profit as a percentage of sales	Gross Profit margin at 19.0% was in line with 2019; reflecting a sustained price of zinc, which is heavily dependent on the market value and fluctuates each month.

**Principal Risks and Uncertainties**

The Group's activities expose it to a variety of risks and uncertainties.

***Market risk***

The Group operates in an international market for high grade zinc and other products and is exposed to risk arising from variations in the demand for and price of those products. Zinc prices historically have fluctuated widely and are affected by numerous factors over which the Group does not have any control, including world production levels, international economic trends, currency exchange fluctuations, inflation, speculative activity, consumption patterns and global or regional political events.

***Production risks***

The Group is primarily an operator of a hot dip metal galvanising plant. There are significant risks and hazards inherent in hot dip metal galvanising, including environmental hazards, industrial incidents and labour disputes. The occurrence of any of these hazards can delay or interrupt production and increase production costs.

***Environmental risk***

The Group's operations are subject to environmental regulation in all the jurisdictions in which it operates. The Group is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would adversely affect the Group's operations. There can be no assurance that such new environmental legislation once implemented will not oblige the Group to incur significant expenses and undertake significant investments.

**Financial Risk Management**

The Group has a risk management programme in place that seeks to limit the effects on financial performance from adverse movements in raw materials, counterparty, liquidity and interest rate risk. The Company also seeks to protect itself from exposure to regulatory risk, in particular in areas of employment law and health & safety legislation. The Company's risk register is continually reviewed and updated on a regular basis. Project milestones and timelines are regularly reviewed.

This report was approved by the Board on 29 December 2021 and signed on its behalf:

  
G Singh  
Director

The Directors present their Annual Report and the audited Financial Statements for the year ended 31 December 2020.

#### **Future Developments and Subsequent Events**

As disclosed in Note 27 to the Financial Statements, the Group on 27 February 2021 disposed of its entire equity interest in Malaysian Mega Galvaniser Sdn Bhd. The Company may consider suitable acquisitions in the future.

#### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. Under that law the Directors have elected to prepare the Group and Parent Company Financial Statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and Group as at the end of the financial year and of the profit or loss of the Group for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the applicable law and international accounting standards in conformity with the requirements of Companies Act 2006 have been followed; subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the website is the responsibility of the Directors. The work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the information contained in the Financial Statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements and other information included in annual reports may differ from legislation in other jurisdictions.

#### **Going Concern**

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and, therefore, continue to adopt the going concern basis in preparing the Annual Report and Financial Statements. Further details on their assumptions and their conclusion thereon are included in the statement on going concern included in Note 2.3 to the Financial Statements.

**Provision of Information to Auditor**

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditor**

PKF Littlejohn LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006. PKF Littlejohn LLP has signified its willingness to continue in office as auditor.

This report was approved by the board on 29 December 2021 and signed on its behalf:

A handwritten signature in black ink, appearing to be 'G. Singh', with a stylized, scribbled end.

G. Singh  
Director

**Independent Auditor's Report to the members of Allgreentech International Limited****Opinion**

We have audited the financial statements of Allgreentech International Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



**Independent Auditor's Report to the members of Allgreentech International Limited (continued)****Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company financial statements, the directors are responsible for assessing the group's and the parent 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 unless the directors either intend to liquidate the group or the parent company or to cease operations, or have 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and application of cumulative audit knowledge and experience of the sector.

**Independent Auditor's Report to the members of Allgreentech International Limited (continued)**

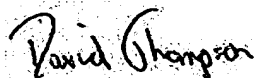
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from:
  - International accounting standards
  - Companies Act 2006
  - Anti-Money Laundering Legislation
  - GDPR
  - Health and Safety Legislation
  - The Bribery Act 2010
  - Local law and regulations in Malaysia
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
  - Making enquires of management
  - Making enquiries of the component auditor
  - Review of minutes
  - Review of legal and regulatory correspondence
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**David Thompson (Senior statutory auditor)**  
For and on behalf of PKF Littlejohn LLP  
Statutory Auditor

15 Westferry Circus  
Canary Wharf  
London E14 4HD

29 December 2021

	Note	Year ended 31 December 2020 £	Year ended 31 December 2019 £
<b>Continuing Operations</b>			
Revenue		4,578,350	5,825,929
Cost of sales	6	(3,703,499)	(4,716,927)
		<hr/>	<hr/>
<b>Gross Profit</b>		874,851	1,109,002
Administrative expenses	6	(1,365,441)	(897,009)
Other operating income/(expense) - net	9	1,246	(26,015)
Other gains	10	-	3,136
Impairment of goodwill	13	(2,334,067)	-
		<hr/>	<hr/>
<b>(Loss)/Profit before Tax</b>		(2,823,411)	189,114
Taxation	11	18,047	(70,958)
		<hr/>	<hr/>
<b>(Loss)/Profit for the year attributable to owners of the parent</b>		(2,776,485)	118,156
		<hr/>	<hr/>
<b>Other Comprehensive Income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Deferred taxation	20	1,245	1,195
<b>Items that may be reclassified subsequently to profit or loss</b>			
Currency translation differences		(264,311)	(248,092)
		<hr/>	<hr/>
<b>Other Comprehensive Income for the Year, Net of Tax</b>		(263,066)	(246,897)
		<hr/>	<hr/>
<b>Total Comprehensive Income for the Year attributable to the owners of the parent</b>		(3,068,430)	(128,741)
		<hr/>	<hr/>

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the Parent Company Statement of Comprehensive Income.

The loss for the Parent Company for the year was £14,444 (2019 - loss of £18,404).

The Notes on pages 17 to 41 form part of these Financial Statements.

	Note	As at 31 December 2020 £	As at 31 December 2019 £
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	12	3,200,529	3,324,646
Intangible assets	13	-	2,418,301
<b>Total Non-Current Assets</b>		<b>3,200,529</b>	<b>5,742,947</b>
<b>Current Assets</b>			
Inventories	15	715,726	819,002
Trade and other receivables	16	1,522,538	1,570,822
Current tax assets		27,792	-
Cash and cash equivalents	17	266,473	223,707
<b>Total Current Assets</b>		<b>2,532,529</b>	<b>2,613,531</b>
<b>TOTAL ASSETS</b>		<b>5,733,058</b>	<b>8,356,478</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to Owners of Parent</b>			
Share capital	18	32,563,976	32,563,976
Revaluation reserve		812,492	811,247
Translation reserve		120,208	384,519
Other reserve	18	(32,291,085)	(32,291,085)
Retained earnings		3,212,380	6,017,743
<b>Total Equity</b>		<b>4,417,971</b>	<b>7,486,400</b>
<b>Non-Current Liabilities</b>			
Deferred tax	20	217,138	230,870
<b>Total Non-Current Liabilities</b>		<b>217,138</b>	<b>230,870</b>
<b>Current Liabilities</b>			
Trade and other payables	19	1,097,949	616,412
Current tax liabilities		-	22,796
<b>Total Current Liabilities</b>		<b>1,097,949</b>	<b>639,208</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,733,058</b>	<b>8,356,478</b>

These Financial Statements were approved by the Board of Directors on 29 December 2021 and were signed on its behalf by:



**G Singh**  
Director

The Notes on pages 17 to 41 form part of these Financial Statements.

	Note	As at 31 December 2020 £	As at 31 December 2019 £
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Investments in subsidiaries	14	2,062	2,062
<b>Total Non-Current Assets</b>		<u>2,062</u>	<u>2,062</u>
<b>Current Assets</b>			
Trade and other receivables	16	517,563	517,563
<b>Total Current Assets</b>		<u>517,563</u>	<u>517,563</u>
<b>TOTAL ASSETS</b>		<u>519,625</u>	<u>519,625</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to Shareholders</b>			
Share capital	18	32,563,976	32,563,976
Other reserve	18	(32,291,085)	(32,291,085)
Retained earnings		(571,192)	(556,748)
<b>Total Equity</b>		<u>(298,301)</u>	<u>(283,857)</u>
<b>Current Liabilities</b>			
Trade and other payables	19	817,926	803,482
<b>Total Current Liabilities</b>		<u>817,926</u>	<u>803,482</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>519,625</u>	<u>519,625</u>

These Financial Statements were approved by the Board of Directors on 29 December 2021 and were signed on its behalf by:



G Singh  
Director

The Notes on pages 17 to 41 form part of these Financial Statements.

Group (£)	Attributable to the owners of the parent					
	Share capital	Other reserve	Revaluation reserve	Translation reserve	Retained earnings	Total equity
<b>Balance at 1 January 2019</b>	32,563,976	(32,291,085)	810,052	632,611	5,899,587	7,615,141
Loss for the year	-	-	-	-	118,156	118,156
<b>Other Comprehensive Income</b>						
Currency translation differences	-	-	-	(248,092)	-	(248,092)
Deferred taxation	-	-	1,195	-	-	1,195
<b>Total Comprehensive Income for the Year</b>	-	-	1,195	(248,092)	118,156	(128,741)
Transaction with owners, recognised directly in equity	-	-	-	-	-	-
<b>Balance at 31 December 2019</b>	32,563,976	(32,291,085)	811,247	384,519	6,017,743	7,486,400
<b>Balance at 1 January 2020</b>	32,563,976	(32,291,085)	811,247	384,519	6,017,743	7,486,400
Loss for the year	-	-	-	-	(2,805,364)	(2,805,364)
<b>Other Comprehensive Income</b>						
Currency translation differences	-	-	-	(264,311)	-	(264,311)
Deferred taxation	-	-	1,245	-	-	1,245
<b>Total Comprehensive Income for the Year</b>	-	-	1,245	(264,311)	(2,805,364)	(3,068,430)
Transaction with owners, recognised directly in equity	-	-	-	-	-	-
<b>Balance at 31 December 2020</b>	32,563,976	(32,291,085)	812,492	120,208	3,212,380	4,417,971

The Notes on pages 17 to 41 form part of these Financial Statements.

Company (£)	Attributable to the shareholders			Total equity
	Share capital	Other reserve	Retained losses	
Balance at 1 January 2019	32,563,976	(32,291,085)	(538,344)	(265,453)
Loss for the year	-	-	(18,404)	(18,404)
Total Comprehensive Income for the Year	-	-	(18,404)	(18,404)
Total contributions by and distributions to owners of the parent, recognised directly in equity	-	-	-	-
Balance at 31 December 2019	32,563,976	(32,291,085)	(556,748)	(283,857)
Balance at 1 January 2020	32,563,976	(32,291,085)	(556,748)	(283,857)
Loss for the year	-	-	(14,444)	(14,444)
Total Comprehensive Income for the Year	-	-	(14,444)	(14,444)
Total contributions by and distributions to owners of the parent, recognised directly in equity	-	-	-	-
Balance at 31 December 2020	32,563,976	(32,291,085)	(571,192)	(298,301)

The Notes on pages 17 to 41 form part of these Financial Statements.

	Note	Year ended 31 December 2020 £	Year ended 31 December 2019 £
<b>Cash Flows from Operating Activities</b>			
(Loss)/Profit before tax		(2,823,411)	189,114
Depreciation	12	103,038	130,167
Profit on disposal of property, plant and equipment		(401)	(2,837)
Impairment of goodwill		2,334,067	-
Foreign exchange on operating activities		(72,126)	(72,729)
		<u>(458,832)</u>	<u>243,715</u>
<b>Changes to working capital</b>			
Decrease in inventories		103,276	106,357
Decrease/(Increase) in trade and other receivables		48,284	(359,828)
Increase/(Decrease) in trade and other payables		481,539	(85,229)
		<u>174,267</u>	<u>(94,985)</u>
<b>Cash (used in)/generated from operations</b>			
Income tax refund/(paid)		(37,178)	225,623
		<u>137,089</u>	<u>130,638</u>
<b>Net Cash generated from Operating Activities</b>			
<b>Cash Flows from Investing Activities</b>			
Purchases of property, plant and equipment		(94,724)	(44,164)
Disposal proceeds of property, plant and equipment		401	2,837
		<u>(94,323)</u>	<u>(41,327)</u>
<b>Net Cash (used in)/generated from Investing Activities</b>			
<b>Net Increase in Cash and Cash Equivalents</b>		<u>42,766</u>	<u>42,065</u>
<b>Movement in Cash and Cash Equivalents</b>			
Cash and cash equivalents at the beginning of the year	17	223,707	181,642
Net increase in cash and cash equivalents		42,766	42,065
		<u>266,473</u>	<u>223,707</u>
<b>Cash and Cash Equivalents at the End of the Year</b>	17		

The Notes on pages 17 to 41 form part of these Financial Statements.



	Note	Year ended 31 December 2020 £	Year ended 31 December 2019 £
<b>Cash Flows from Operating Activities</b>			
Loss before tax		(14,444)	(18,404)
		<hr/>	<hr/>
		(14,444)	(18,404)
<b>Changes to working capital</b>			
Increase in trade and other payables		14,444	18,404
		<hr/>	<hr/>
<b>Net Cash (used in)/generated from Operating Activities</b>		-	-
		<hr/>	<hr/>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		-	-
		<hr/>	<hr/>
<b>Movement in Cash and Cash Equivalents</b>			
Cash and cash equivalents at the beginning of the year	17	-	-
Net increase/(decrease) in cash and cash equivalents		-	-
		<hr/>	<hr/>
<b>Cash and Cash Equivalents at the End of the Year</b>	17	-	-
		<hr/>	<hr/>

The Notes on pages 17 to 41 form part of these Financial Statements.

**1 GENERAL INFORMATION**

The trading activities of Allgreentech International Limited and its subsidiaries (together "the Group") is hot metal dip galvanising. The Group principally trades in Malaysia.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these Consolidated Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.1 Basis of preparation of Financial Statements**

The consolidated Financial Statements of Allgreentech International Limited have been prepared in accordance with applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006, IFRIC Interpretations and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings.

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated Financial Statements, are disclosed in Note 4.

**2.2 Basis of consolidation**

The consolidated Financial Statements consolidate the Financial Statements of Allgreentech International Limited and the audited Financial Statements of its subsidiary undertakings made up to 31 December 2020.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Company acquired Acepoint Venture Sdn Bhd on 30 March 2011 through a share exchange. As the shareholders of Acepoint Venture Sdn Bhd had control of the legal parent, Allgreentech International Limited, the transaction was accounted for as a capital reorganisation. Under the reorganisation, the new parent obtained control of the original parent by issuing equity instruments in exchange for existing equity instruments, the assets and liabilities of the new group and the original group are the same immediately before and after the reorganisation, and the owners of the original parent before the reorganisation had the same absolute and relative interests in the original and new group immediately before and after the reorganisation.

In accordance with IAS 27 'Separate Financial Statements', the cost of acquisition was measured at the carrying amount of Allgreentech International Limited's share of the equity items in the separate financial statements of Acepoint Venture Sdn Bhd at the date of the reorganisation.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.2 Basis of consolidation (continued)**

Investments in subsidiaries are accounted for at cost less impairment. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. All inter-company transactions and balances between Group entities are eliminated on consolidation.

**Disposals of subsidiaries**

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

**2.3 Going concern**

The Group's business activities, together with the factors likely to affect its future development and performance are set out in the Report of the Directors. In addition, notes 3 and 23 to the Financial Statements disclose the Group's and Company's objectives, policies and processes for managing financial risks and capital. Funding future growth will be via the Group's own generated cash-flow, wherever possible.

The Group's cash flow forecasts and projections show that the Group has sufficient funds and facilities to fund its ongoing operating costs. The Directors have a reasonable expectation that the Company and Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis of accounting in preparing the Financial Statements.

**2.4 Changes in accounting policy and disclosure****a) New and amended standards adopted by the Group and Company**

During the year Group or Company have adopted the following standards and amendments with effect from 1 January 2020 when preparing these financial statements. None have had a material effect on the Group or Company.

**Standard**

Amendments  
IFRS 9, IAS 39 and IFRS 17 (amendments)  
IFRS 3 (amendments)  
IAS 1 and IAS 8

Conceptual Framework in IFRS Standards  
Interest Rate Benchmark Reform  
Business Combinations  
Definition of Material

**b) New and amended standards and interpretations issued but not yet effective for the financial year beginning 1 January 2021 and not early adopted**

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Financial Statements are listed below. The Group and Company intends to adopt these standards, if applicable, when they become effective. Unless stated below, there are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group and Company.

**Standard**

IFRS 3 (amendments) Business Combinations – Reference to the Conceptual Framework  
IAS 16 (amendments) Property, Plant and Equipment  
IAS 37 (amendments) Provisions, Contingent Liabilities and Contingent Assets  
2018-2020 Cycle Annual Improvements to IFRS Standards

**Effective Date**

1 January 2022  
1 January 2022  
1 January 2022  
1 January 2022

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.5 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, as described below.

Galvanising services: revenue from rendering galvanising services is recognised in the accounting period in which the services are rendered. Revenue is recognised on delivery to and acceptance by the customer.

Other income is recognised in the accounting period in which the services are rendered, in accordance with the terms of the underlying contractual agreements.

**2.6 Foreign Currency Translation****(a) Functional and presentation currency**

Items included in the Financial Statements of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The functional currency of the UK parent entity is pounds sterling and the functional currency of the subsidiaries is Malaysian Ringgit. The Financial Statements are presented in sterling which is the Group's and Company's presentation currency.

**(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where such items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

**(c) Group companies**

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future are taken to other comprehensive income.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Property, plant and equipment**

Land and buildings are shown at fair value, based on valuations by the Directors in conjunction with independent valuers on a periodic basis using the open market value on existing use basis, less subsequent depreciation for buildings. Valuations are reviewed and performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against revaluation reserve directly in equity; all other decreases are charged to profit or loss. Each year the difference between the depreciation based on the revalued carrying amount of the asset charged to the Income Statement, and depreciation based on the asset's original cost, is transferred from revaluation reserve to retained earnings.

All other property, plant and equipment is stated at historical cost less depreciation.

Depreciation is charged so as to allocate the cost or revalued amounts to their residual values over their estimated useful lives, on a straight line basis as follows:

Buildings – 50 years

Leasehold property and improvements – over the length of lease

Motor vehicles – 5 years

Plant and machinery – 7 to 10 years

Computers, fixtures and fittings – 5 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other operating income/(expense)' in profit or loss.

**2.8 Intangible assets****Goodwill**

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the fair value of the identifiable net assets acquired.

**Impairment**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs") that is expected to benefit from the synergies of the combination. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying amount of the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.9 Financial assets**

The Group and Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value through profit or loss; and
- Those to be measured at amortised cost.

The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are classified as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect contractual cash flows; and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. The Group's and Company's financial assets at amortised cost include trade and other receivables and cash and cash equivalents. A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group and Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and Company has transferred substantially all the risks and rewards of the asset, or (b) the Group and Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables (not subject to provisional pricing) and other receivables due in less than 12 months, the Group applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the Group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date.

The Group and Company classifies the following financial assets at fair value through profit or loss:

Debt instruments that do not qualify for measurement at either amortised cost or fair value through other comprehensive income; and

Equity investments for which no election has been made to recognise fair value gains and losses through other comprehensive income.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.9 Financial assets (continued)****Classification**

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. At initial recognition, the Group classifies its financial assets as loans and receivables which comprise 'trade and other receivables' and 'cash and cash equivalents'.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period.

**Recognition and measurement**

Loans and receivables are initially recognised at the amount expected to be received, less where material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortised cost using the effective interest method less a provision for impairment.

**Derecognition**

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of the ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Derecognition also takes place for certain assets when the Group writes-off balances pertaining to the assets deemed to be uncollectible.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

**Impairment of financial assets**

At each Statement of Financial Position date, the Group assesses whether there is objective evidence that financial assets are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and the loss event has an impact on the future cash flows of the asset that can be estimated reliably.

The Group considers the evidence of impairment at both a specific asset and collective level. All individually significant financial assets are assessed for specific impairment. All significant assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are then collectively assessed for impairment by grouping together financial assets (carried at amortised cost) with similar risk characteristics. When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through the Income Statement.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.10 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprise raw materials, direct labour and other direct costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

**2.11 Trade and other receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables.

**2.12 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and bank overdrafts.

**2.13 Trade and other payables**

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method.

**2.14 Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings, using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

**2.15 Borrowing costs**

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

**2.16 Share capital**

Ordinary shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax. Incremental costs directly attributable to the issue of equity instruments as consideration for the acquisition of a business are included in the cost of acquisition.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.17 Current and deferred income tax**

The tax expense or credit comprises current and deferred tax. It is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date in the countries where the company and its subsidiaries operate.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction, which affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

**2.18 Leases**

IFRS 16 "Leases" specifies how an IFRS reporter will recognise, measure, prepare and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor IAS 17.

The Group adopted IFRS 16 using modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 January 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying IAS 17 at the date of initial application.

The Group has lease contracts for office and storage. Before the adoption of IFRS 16, the Group classified each of its lease (as lessee) at the inception date as an operating lease.

Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low value assets. The standard provides specific transition requirements and practical expedients, which have been applied by the Group. Rent payments under short term leases are expensed to profit or loss on a straight line basis.

The Group applied the available practical expedients wherein it:

Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application; and

Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.18 Leases (continued)**

Based on the Group's assessment, IFRS 16 does not impact the consolidated financial statements except for disclosure.

**2.19 Segment Information**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments and making strategic decisions.

**2.20 Pension Obligations**

The Group makes contributions to defined contribution pension plans. The Group has no legal or constructive obligations to pay further contributions if the plans do not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior periods. The contributions are recognised as employee benefit expense when they are paid.

**2.21 Exceptional items**

Exceptional items are disclosed separately in the Financial Statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

**3 FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow and interest rate risk), credit risk and liquidity risk.

***Market risk***

The Group operates in an international market for high grade zinc and other direct materials and is exposed to risk arising from variations in the demand for and price of those products. Zinc prices historically have fluctuated widely and are affected by numerous factors over which the Group has no control, including world production levels, international economic trends, exchange rate fluctuations, speculative activity and global or regional political events.

**a) *Foreign exchange risk***

The majority of the Group's sales and purchase transactions are denominated in Malaysian ringgit. Any exchange risk is managed by maintaining bank accounts denominated in that currency.

**b) *Cash flow and interest rate risk***

The Group's interest rate risk arises from cash and cash equivalents held with financial institutions.

***Credit risk***

Credit risk represents the risk of loss the Group would incur if operators and counterparties fail to fulfil their credit obligations. The maximum exposure to credit risk is represented by the carrying amount of each financial asset. The Group seeks to mitigate this risk where possible by assessing the credit quality of the operators and by establishing ongoing and long term relationships.

***Liquidity risk***

Cash flow forecasting is performed in the operating entities of the Group, and aggregated by Group Finance. Group Finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal Statement of Financial Position ratio targets, and, if applicable, external regulatory or legal requirements.

**3 FINANCIAL RISK MANAGEMENT (continued)**

The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings, based on the remaining period at the Statement of Financial Position to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group (£)	Less than 1 Year	Between 2 and 5 Years	Over 5 Years
<b>At 31 December 2020</b>			
Trade and other payables	1,097,949	-	-
<b>At 31 December 2019</b>			
Trade and other payables	639,208	-	-

**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS*****Use of estimates and judgements***

The preparation of Financial Statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described below:

***Estimated impairment of goodwill***

Goodwill has a carrying value at 31 December 2020 of £nil (2019 - £2,418,301). The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.8. Management have reviewed the carrying value of goodwill and consider an impairment charge of £2,334,067 is required to be recognised in the statement of comprehensive income.

***Estimated useful lives of property, plant and equipment***

Useful lives are based on industry standards and historical experience which are subjected to yearly evaluation. Management review property, plant and equipment at each Statement of Financial Position date to determine whether there are any indications of impairment. If any such indication exists, an estimate of the recoverable amount is performed, and an impairment loss is recognised to the extent that the carrying amount exceeds the recoverable amount. The Directors have reviewed the estimated value of each property and do not consider any further impairment to be necessary.

**5 SEGMENTAL INFORMATION**

The Executive Directors are the Group's chief operating decision-makers.

The Group principally operates in two geographical areas, the United Kingdom and Malaysia. Activities in the UK are administrative in nature whilst the activities in Malaysia relate to the Group's principal trading activities. The reports reviewed by the Board of Directors that are used to make strategic decisions are based on these geographical segments.

**Year ended 31 December 2020**

	<b>Malaysia</b>	<b>UK</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Revenue from steel galvanising	4,578,350	-	4,578,350
Gross profit	874,851	-	874,851
Operating loss	(474,900)	(14,444)	(489,344)
Depreciation	(103,039)	-	(103,039)
Capital expenditure	(94,723)	-	(94,723)
Total assets	5,730,915	2,143	5,733,058
Total liabilities	(783,367)	(531,720)	(1,315,087)

**Year ended 31 December 2019**

	<b>Malaysia</b>	<b>UK</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Revenue from steel galvanising	5,825,929	-	5,825,929
Gross profit	1,109,002	-	1,109,002
Operating profit/(loss)	204,382	(18,404)	185,978
Depreciation	(130,167)	-	(130,167)
Capital expenditure	(44,164)	-	(44,164)
Total assets	5,936,034	2,143	5,938,177
Total liabilities	(351,508)	(518,570)	(870,078)

## 5 SEGMENTAL INFORMATION (continued)

A reconciliation of the operating (loss)/profit to (loss)/profit before taxation is provided as follows:

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Operating (loss)/profit for reportable segments	(489,344)	185,978
Impairment of goodwill	(2,334,067)	-
Gain on derecognition of subsidiary	-	3,136
	<hr/>	<hr/>
(Loss)/Profit before tax	(2,823,411)	189,114
	<hr/>	<hr/>

The amounts provided to the Board of Directors with respect to total assets are measured in a manner consistent with that of the Financial Statements. These assets are allocated based on the operations of the segment and physical location of the asset. Goodwill recognised by the Group is managed centrally and is not considered to be a segmental asset.

Reportable segments' assets are reconciled to total assets as follows:

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Segmental assets for reportable segments	5,733,058	5,938,177
Unallocated: goodwill	-	2,418,301
	<hr/>	<hr/>
Total assets per Statement of Financial Position	5,733,058	8,356,478
	<hr/>	<hr/>

**6 EXPENSES BY NATURE**

Group	2020 £	2019 £
Direct and indirect materials used	2,862,525	3,728,043
Direct labour costs	424,172	518,804
Depreciation and equipment costs	95,030	123,240
Direct overheads – electricity, water, transportation etc.	237,159	202,766
Repairs and maintenance	84,613	144,074
	<hr/>	<hr/>
Total cost of sales	3,703,499	4,716,927
	<hr/>	<hr/>
Staff costs and benefits	840,674	468,277
Property costs	78,122	115,773
Legal, professional and compliance costs	251,056	150,479
Depreciation and equipment costs	8,008	6,926
Foreign exchange differences	12,256	11,044
Motor, travel and entertaining	34,479	40,330
Marketing expenses	131,198	89,454
Other operating and overhead costs	9,648	14,726
	<hr/>	<hr/>
Total administrative expenses	1,365,441	897,009
	<hr/>	<hr/>

**7 AUDITOR REMUNERATION****Services provided by the Company's auditor and its associates**

During the year, the Group (including its overseas subsidiaries) obtained the following services from the Company's auditor:

Fees payable to the Company's auditor for the audit of the Parent Company and consolidated Financial Statements	13,300	13,300
	<hr/>	<hr/>

**8 STAFF COSTS**

The Group and Company incurred the following staff costs (including Directors):

	Group	
	2020 £	2019 £
Wages, salaries and other benefits	1,183,282	899,942
Social security costs	6,309	4,776
Pension costs	62,690	60,724
	<hr/>	<hr/>
	1,252,281	965,442
	<hr/>	<hr/>

**8 STAFF COSTS (continued)****Directors' Emoluments**

The Directors' emoluments in respect of qualifying services were:

	Group	
	2020	2019
	£	£
Directors' salary and fees	220,710	172,002
Pension costs	31,288	27,677
	<u>251,998</u>	<u>199,679</u>
Highest paid Director		
Total emoluments	133,377	128,978
Pension costs	25,447	24,615
	<u>158,824</u>	<u>153,593</u>

The average monthly number of staff, including the Directors, during the financial year was as follows:

	Group	
	2020	2019
	No.	No.
Galvanising	65	71
Administrative and managerial	26	25
	<u>91</u>	<u>96</u>

**9 OTHER OPERATING INCOME/(EXPENSE)**

	Group	
	2020	2019
	£	£
Profit on disposal of property, plant and equipment	401	2,835
Foreign exchange	3,679	(5,156)
Impairment of other receivables	(9,280)	(28,345)
Movement in impairment of trade receivables	725	2,648
Other income/(expenses)	5,721	2,003
	<u>1,246</u>	<u>(26,015)</u>

**10 OTHER GAINS**

	Group	
	2020	2019
	£	£
Gain on derecognition of subsidiary undertaking – Allgreentech Properties Sdn Bhd	-	3,136
	<u>-</u>	<u>3,136</u>

## 11 TAXATION

	Group	
	2020	2019
	£	£
<b>Tax charge/(credit) for the period</b>		
<b>Current tax:</b>		
Current tax on profit/(loss) for the year	-	45,010
Adjustments in respect of prior periods	(13,408)	1,362
<b>Total current tax</b>	<b>(13,408)</b>	<b>46,372</b>
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	(4,639)	51,630
Adjustments in respect of prior periods	-	(27,044)
<b>Total deferred tax</b>	<b>(4,639)</b>	<b>24,586</b>
<b>Income tax (credit)/expense</b>	<b>(18,047)</b>	<b>70,958</b>
<b>Factors affecting the tax (credit)/charge for the period</b>		
The tax (credit)/charge for each period is explained below:		
	2020	2019
	£	£
(Loss)/Profit for the period before taxation	(2,823,411)	189,114
(Loss)/Profit for the period before tax multiplied by the weighted average standard tax rate of 24% (2019 – 24%)	(677,619)	45,387
Expenses not deductible for tax purposes	568,280	45,599
Timing differences	2,236	-
Adjustments in respect of prior years – current tax	(13,408)	1,362
Adjustments in respect of prior periods – deferred tax	-	(27,044)
Losses on which no deferred tax asset is recognised	102,464	-
<b>Income tax (credit)/expense</b>	<b>(18,047)</b>	<b>70,958</b>



## 12 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land and buildings £	Leasehold property and improvements £	Plant and Machinery £	Motor vehicles £	Computers, fixtures and fittings £	Total £
<b>Cost or valuation</b>						
At 1 January 2019	3,125,534	29,969	1,571,064	61,951	84,812	4,873,331
Exchange differences	(94,561)	(907)	(47,531)	(1,874)	(2,566)	(147,439)
Additions	7,094	-	36,025	-	1,045	44,164
Disposals	-	-	-	(8,844)	-	(8,844)
Written off	-	-	-	-	(2,307)	(2,307)
At 31 December 2019	3,038,067	29,063	1,559,558	51,233	80,984	4,758,905
Exchange differences	(105,821)	(1,012)	(54,322)	(1,785)	(2,820)	(165,760)
Additions	-	729	71,236	-	22,758	94,723
Disposals	-	-	-	-	(8,476)	(8,476)
At 31 December 2020	2,932,246	28,780	1,576,472	49,448	92,446	4,679,392
<b>Accumulated Depreciation and Impairment</b>						
At 1 January 2019	33,915	7,858	1,183,368	61,950	69,183	1,356,273
Exchange differences	(1,026)	(238)	(35,802)	(1,874)	(2,093)	(41,033)
Charge for the period	33,049	2,803	90,370	-	3,945	130,167
Disposals	-	-	-	(8,844)	-	(8,844)
Written off	-	-	-	-	(2,305)	(2,305)
At 31 December 2019	65,938	10,423	1,237,936	51,232	68,730	1,434,259
Exchange differences	(2,297)	(363)	(43,120)	(1,785)	(2,395)	(49,956)
Charge for the period	31,949	2,720	63,415	-	4,955	103,039
Disposals	-	-	-	-	(8,475)	(8,475)
At 31 December 2020	95,590	12,780	1,258,231	49,447	62,815	1,478,863
<b>Net Book Amount</b>						
At 31 December 2020	2,836,656	16,000	318,239	1	29,629	3,200,529
At 31 December 2019	2,972,129	18,640	321,622	1	12,254	3,324,651

Depreciation expenses of £103,039 (2019 - £130,167) has been charged in cost of sales £95,030 (2019 - £123,241) and in administrative expenses £8,009 (2019 - £6,926).

**12 PROPERTY, PLANT AND EQUIPMENT (continued)**

An independent valuation of the Group's land and buildings was performed by independent valuers to determine the fair value as at 31 December 2017. The revaluation surplus was credited to other comprehensive income and is shown in revaluation reserve in shareholders' equity. The Directors do not consider there has been a material valuation movement since that date.

Financial assets measured at fair value adopt the following different levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset, either directly or indirectly

Level 3: inputs that are not based on observable data

The land and buildings valuation are categorised as Level 3 within the fair value hierarchy and was derived using the sales comparison approach, where sales prices of comparable land and buildings in close proximity were adjusted for differences in key attributes. The most significant input into this valuation approach was price per square foot.

**13 INTANGIBLE ASSETS****Group**

<b>Cost</b>	<b>Goodwill £</b>	<b>Total £</b>
At 1 January 2019	2,493,747	2,493,747
Exchange differences	(75,446)	(75,446)
	<hr/>	<hr/>
At 31 December 2019	2,418,301	2,418,301
	<hr/>	<hr/>
Exchange differences	(84,233)	(84,233)
	<hr/>	<hr/>
At 31 December 2020	2,334,067	2,334,067
	<hr/>	<hr/>
<b>Amortisation and Impairment</b>		
At 1 January 2019 and 31 December 2019	-	-
Impairment charge	(2,334,067)	(2,334,067)
	<hr/>	<hr/>
At 31 December 2020	(2,334,067)	(2,334,067)
	<hr/>	<hr/>
<b>Net Book Amount</b>		
At 31 December 2020	-	-
	<hr/>	<hr/>
At 31 December 2019	2,418,301	2,418,301
	<hr/>	<hr/>

**Impairment review**

Goodwill comprises the goodwill arising on acquisition of Malaysian Mega Galvaniser Sdn Bhd. In the previous period, the recoverable amount of this goodwill has been assessed based on value-in-use calculations, using cash flow projections based on management approved budgets. Sales volumes, prices and margins are based on recent past performance and the pre-tax discount rate applied was 10% per annum.

An impairment loss on goodwill amounting to £2,334,067 is recognised in the statement of comprehensive income as the Group's only trading subsidiary, Mega Galvaniser Sdn Bhd, was disposed of on 24 February 2021.

## 14 INVESTMENTS

## 14.1 Investments in subsidiaries

	2020 £	2019 £
<b>Company</b>		
Shares in group undertakings		
At 1 January and 31 December	2,062	2,062

Investments in group undertakings are recorded at cost, which is the fair value of the consideration paid.

## Subsidiary companies

Name	Country of incorporation and residence	Nature of business	Registered capital	Proportion of equity shares held directly by Company (*) or by the Group (**)
Acepoint Venture Sdn Bhd *	Malaysia	Intermediate holding company and provision of management services	Ordinary shares	100%
Malaysian Mega Galvaniser Sdn Bhd **	Malaysia	Hot dip metal galvanising	Ordinary shares	100%

The registered office address of Acepoint Venture Sdn Bhd and Malaysian Mega Galvaniser Sdn Bhd is Unit 30-01, Level 30, Tower A, Vertical Business Suite, Bangsar South, No.8 Jalan Kerinchi, 59200 Kuala Lumpur.

## 15 INVENTORIES

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Raw materials	90,008	108,737	-	-
Work in progress	625,718	710,265	-	-
	<u>715,726</u>	<u>819,002</u>	<u>-</u>	<u>-</u>

The cost of inventories recognised as an expense and included in cost of sales amounted to £2,752,052 (2019 - £3,635,538).

## 16 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade receivables	1,881,614	2,060,110	-	-
Less: provision for impairment of trade receivables	(589,436)	(611,427)	-	-
	<u>1,292,178</u>	<u>1,448,683</u>	<u>-</u>	<u>-</u>
Trade receivables - net	1,292,178	1,448,683	-	-
Other receivables	204,571	98,315	2,143	2,143
Amounts due from group undertakings	-	-	515,420	515,420
Prepayments and accrued income	-	214	-	-
Amounts due from related parties	25,789	23,610	-	-
	<u>1,522,538</u>	<u>1,570,822</u>	<u>517,563</u>	<u>517,563</u>

Trade receivables comprise customer receivables in credit. The Group retains all risks associated with these receivables until fully recovered.

The fair value of all receivables is the same as their carrying values stated above.

As at 31 December 2020, trade receivables of £1,001,368 (2019 - £1,074,687) were past due but not impaired. These relate to existing customers with no defaults in the past. The ageing analysis of receivables is as follows:

2020		Gross £	Individually impaired £	Net £
Not past due		290,810	-	290,810
Past due 1 - 60 days		500,577	-	500,577
Past due > 60 days		1,090,227	(589,436)	500,791
		1,881,614	(589,436)	1,292,178
2019		Gross £	Individually impaired £	Net £
Not past due		373,995	-	373,995
Past due 1 - 60 days		464,556	-	464,556
Past due > 60 days		1,221,559	(611,427)	610,132
		2,060,110	(611,427)	1,448,683

**16 TRADE AND OTHER RECEIVABLES (continued)**

Movements in the Group provision for impairment of trade receivables are as follows:

	2020 £	2019 £
At 1 January	611,427	633,164
Exchange differences	(21,266)	(19,089)
Released in the year	(725)	(2,648)
	<hr/>	<hr/>
At 31 December	589,436	611,427
	<hr/>	<hr/>

The carrying amounts of the Group's and Company's trade and other receivables are denominated in the following currencies:

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
UK pound	2,143	2,143	2,143	2,143
Malaysian ringgit	1,520,395	1,568,679	515,420	515,420
	<hr/>	<hr/>	<hr/>	<hr/>
	1,522,538	1,570,822	517,563	517,563
	<hr/>	<hr/>	<hr/>	<hr/>

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

**17 CASH AND CASH EQUIVALENTS**

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Cash at bank and in hand	266,473	223,707	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Cash and cash equivalents	266,473	223,707	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

All cash at bank is held with financial institutions with at least an A credit rating.

## 18 SHARE CAPITAL

	Ordinary shares	
	Number of shares	Nominal value £
At 31 December 2020	3,229,314,715	32,563,976
At 31 December 2019	3,229,314,715	32,563,976

In accordance with the Subscription Agreement between the Company and Acepoint Venture Sdn Bhd, the consideration shares issued to the vendor shareholders comprised 3,229,314,715 ordinary shares of £0.01 each. The Company acquired Acepoint Venture Sdn Bhd on 30 March 2011 through a share exchange. As the shareholders of Acepoint Venture Sdn Bhd had control of the legal parent, Allgreentech International plc, the transaction was accounted for as a capital reorganisation. Under the reorganisation, the new parent obtained control of the original parent by issuing equity instruments in exchange for existing equity instruments, the assets and liabilities of the new group and the original group are the same immediately before and after the reorganisation, and the owners of the original parent before the reorganisation had the same absolute and relative interests in the original and new group immediately before and after the reorganisation.

In accordance with IAS 27 'Separate Financial Statements', the cost of acquisition was measured at the carrying amount of Allgreentech International Plc's share of the equity items in the separate financial statements of Acepoint Venture Sdn Bhd at the date of the reorganisation. The reduction in the cost of investment in accordance with the above was £32,291,085 which in turn has been debited to 'Other reserve' in the Group Financial Statements.

## 19 TRADE AND OTHER PAYABLES

Current	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Trade payables	207,711	42,870	-	-
Other payables	549,640	560,392	505,420	505,420
Accrued expenses	53,037	13,150	26,300	13,150
Amount due to related parties	287,561	-	286,206	284,912
	<u>1,097,949</u>	<u>616,412</u>	<u>817,926</u>	<u>803,482</u>

Other payables include deferred consideration of £505,420 (2019 - £505,420) in respect of amounts due to former shareholders on the acquisition of subsidiary undertakings.

## 20 DEFERRED TAX

The movement in deferred income tax was as follows:

	Group	
	2020 £	2019 £
At 1 January	230,870	214,604
Exchange differences	(7,848)	(7,125)
Income statement charge/(credit)	(4,639)	24,586
Other comprehensive income	(1,245)	(1,195)
	<hr/>	<hr/>
At 31 December	217,138	230,870
	<hr/>	<hr/>
Deferred tax recognised in other comprehensive income comprises:		
Realisation of revaluation reserve	(1,245)	(1,195)
	<hr/>	<hr/>
	(1,245)	(1,195)
	<hr/>	<hr/>

The components and movements in deferred tax liabilities during the year were as follows:

	Accelerated tax depreciation £	Revaluation reserve £	Other £	Total £
At 1 January 2019	87,645	252,034	(125,075)	214,604
Exchange difference	(746)	(7,625)	1,246	(7,125)
Charged/(credited) to income statement	(25,952)	-	50,537	24,586
Credited to other comprehensive income	-	(1,195)	-	(1,195)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2019	60,947	243,215	(73,292)	230,870
Exchange difference	(2,556)	(8,471)	3,179	(7,848)
Charged/(credited) to income statement	10,392	-	(15,031)	(4,639)
Credited to other comprehensive income	-	(1,245)	-	(1,245)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	68,783	233,499	(85,144)	217,138
	<hr/>	<hr/>	<hr/>	<hr/>

## 21 FINANCIAL INSTRUMENTS BY CATEGORY

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
<b>Assets as per Statement of Financial Position</b>				
<b>Loans and receivables:</b>				
Trade and other receivables (excluding prepayments)	1,522,538	1,570,608	517,349	517,349
Cash and cash equivalents	266,473	223,707	-	-
	<u>1,789,011</u>	<u>1,794,315</u>	<u>517,349</u>	<u>517,349</u>
<b>Liabilities per Statement of Financial Position</b>				
<b>Financial liabilities at amortised cost:</b>				
Trade and other payables (excluding non-financial liabilities)	1,097,949	616,412	817,926	803,482
	<u>1,097,949</u>	<u>616,412</u>	<u>817,926</u>	<u>803,482</u>

## 22 TREASURY POLICY

The Company and Group operate informal treasury policies which include ongoing assessments of interest rate management and borrowing policy. The Board approves all decisions on treasury policy.

The Group has financed its activities by raising funds through the placing of shares and through bank borrowings set out in Note 19 above. There are no material differences between the book value and fair value of the financial assets.

## 23 CAPITAL MANAGEMENT POLICIES

The Group and Company's capital management objectives are:

- to ensure compliance with borrowing covenants;
- to ensure the Group's and Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debts.

The Group will continue to monitor its capital within an acceptable level of gearing and in accordance with financial and non-financial loan covenants.



**24 CAPITAL AND OPERATING LEASE COMMITMENTS**

The Group and Company set the amount of capital in proportion to its overall financing structure and manage their capital structure and make adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Group has capital commitments contracted but not provided for of £nil (2019 - £nil) at the Statement of Financial Position date.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
No later than one year	-	12,161
Between two and five years	-	-
After five years	-	-
	<hr/>	<hr/>
Total	-	12,161
	<hr/>	<hr/>

**25 RELATED PARTY TRANSACTIONS**

Group	2020 £	2019 £
Loans due to/(from) related parties were as follows:		
At 1 January	(23,610)	71,951
Loan repayments	(11,895)	(17,211)
Fees and expenses (paid)/claimed	8,893	(76,172)
Exchange differences	823	(2,178)
	<hr/>	<hr/>
At 31 December (net)	(25,789)	(23,610)
	<hr/>	<hr/>

The loans are denominated in Malaysian ringgit, repayable on demand, interest free and unsecured.

**Asian Mega Galvaniser Sdn Bhd**

Mr G Singh is Director and owner of Asian Mega Galvaniser Sdn Bhd. During the year the Group recognised metal galvanising sales and consultancy fees to Asian Mega Galvaniser Sdn Bhd amounting to £nil (2019 - £2,896,756) and £131,189 (2019 - £89,454) respectively. The net amount due to the Group by Asian Mega Galvaniser Sdn Bhd as at 31 December 2019 was £157,187 (2019 - £288,966).

**25 RELATED PARTY TRANSACTIONS (continued)**

Company	2020 £	2019 £
Amounts due from subsidiary undertakings		
Acepoint Venture Sdn Bhd	67,257	67,257
AGT Energy Technologies Sdn Bhd	448,163	448,163
	<hr/>	<hr/>
	515,420	515,420
	<hr/>	<hr/>
Amounts due to subsidiary undertakings		
Malaysian Mega Galvaniser Sdn Bhd	129,796	128,502
Acepoint Venture Sdn Bhd	156,410	156,410
	<hr/>	<hr/>
	286,206	284,912
	<hr/>	<hr/>

**26 ULTIMATE CONTROLLING PARTY**

As at the Statement of Financial Position date, the Directors consider G Singh to be the ultimate controlling party.

**27 EVENTS AFTER THE REPORTING DATE**

(a) The Malaysian Government re-introduced the MCO and Conditional MCO ("CMCO") in several states from 13 January 2021 to 11 May 2021, a nationwide MCO from 12 May 2021 to 31 May 2021 and Full MCO ("FMCO") from 1 June 2021 to 28 June 2021.

As at the date of this report, the COVID-19 pandemic situation is still evolving and uncertain. The Directors will continuously assess the impact of COVID-19 on their operations as well as financial position for the year ending 31 December 2021.

(b) On 24 February 2021, the Company disposed of its entire equity interest in Malaysian Mega Galvaniser Sdn Bhd to its directors for a total cash consideration of RM3,000,000.