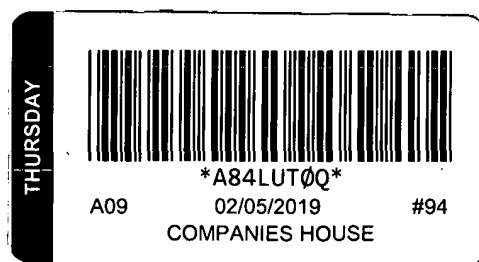


Company Registration No. 09671431 (England and Wales)

PETERBOROUGH GREEN ENERGY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



PETERBOROUGH GREEN ENERGY LIMITED

COMPANY INFORMATION

Directors	Fook Sin Chew Toh Sing Wong Filippo Molinari
Company number	09671431
Registered office	Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP
Auditor	Baldwins Audit Services Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP

PETERBOROUGH GREEN ENERGY LIMITED

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PETERBOROUGH GREEN ENERGY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities

The principal activity of the Company continued to be that of treatment and disposal of waste.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Fook Sin Chew
Toh Sing Wong
Filippo Molinari

Auditor

In accordance with the company's articles, a resolution proposing that Baldwins Audit Services be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Fook Sin Chew

Director

Date: 12/3/19

PETERBOROUGH GREEN ENERGY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible for preparing the Directors' report and the financial statements of the Company in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PETERBOROUGH GREEN ENERGY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PETERBOROUGH GREEN ENERGY LIMITED

Opinion

We have audited the financial statements of Peterborough Green Energy Limited (the 'Company') for the year ended 31 December 2018 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the going concern basis. The financial statements have been prepared on a going concern basis, the validity of which depends upon the continuing support of the Parent Company. The financial statements do not include any adjustment that would result in the failure of this support. Details of the circumstances relating to this fundamental uncertainty are described in the accounting policies. Our opinion is not qualified in this respect.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

PETERBOROUGH GREEN ENERGY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PETERBOROUGH GREEN ENERGY LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the 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.

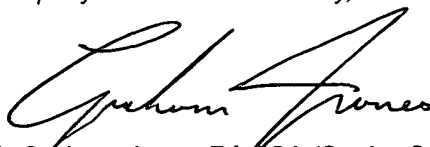
In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company 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.

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


Mr Graham Jones BA FCA (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services
Statutory Auditor

29/4/19
Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

PETERBOROUGH GREEN ENERGY LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

		2018 £	2017 £
Continuing operations	Notes		
Administrative expenses		(769,674)	(16,934)
Loss from operations	4	(769,674)	(16,934)
Investment income	5	8,799	-
Finance costs	6	(1,171,671)	-
Loss before taxation		(1,932,546)	(16,934)
Tax expense	7	-	-
Loss for the year from continuing operations		(1,932,546)	(16,934)
Other comprehensive income for the year		-	-
Total comprehensive expense for the year		(1,932,546)	(16,934)

All loss and total comprehensive expense for the year are attributable to the owners of the Company.

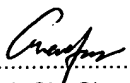
PETERBOROUGH GREEN ENERGY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Assets					
Non-current fixed assets					
Tangible assets	8	23,576,376		19,672,387	
Current assets					
Trade and other receivables	10	18,771,686		1,866,351	
Cash and cash equivalents		28,091,885		-	
			46,863,571		1,866,351
Total assets		70,439,947		21,538,738	
Liabilities					
Creditors: amounts falling due within one year					
Trade and other payables	11	14,617,039		21,563,221	
Bank overdraft	13	17		-	
Total current liabilities		14,617,056		21,563,221	
Non-current liabilities					
Borrowings	13	57,779,920		-	
Total liabilities		72,396,976		21,563,221	
Equity					
Equity attributable to the equity holders of the parent					
Issued capital	14	1		1	
Accumulated loss		(1,957,030)		(24,484)	
Total equity		(1,957,029)		(24,483)	
Total equity and liabilities		70,439,947		21,538,738	

The financial statements were approved by the board of directors and authorised for issue on 28/3/19.....
and are signed on its behalf by:


Fook Sin Chew
Director

Company Registration No. 09671431

PETERBOROUGH GREEN ENERGY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Share capital £	Retained loss £	Total £
Balance at 1 January 2017	1	(7,550)	(7,549)
Year ended 31 December 2017:			
Loss and total comprehensive expense for the year	-	(16,934)	(16,934)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	1	(24,484)	(24,483)
Year ended 31 December 2018:			
Loss and total comprehensive expense for the year	-	(1,932,546)	(1,932,546)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2018	1	(1,957,030)	(1,957,029)
	<hr/>	<hr/>	<hr/>

PETERBOROUGH GREEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Peterborough Green Energy Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ruthlyn House, 90 Lincoln Road, Peterborough, Cambridgeshire, PE1 2SP.

1.1 Accounting convention

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006. The recognition, measurement and disclosure requirements of International Financial Reporting Standard as adopted by the EU (EU-adopted IFRS) have been applied to these financial statements and, where necessary amendments have been made in order to comply with the Companies Act 2006 and The Large and Medium Sized Companies and Groups Regulations 2008/410 ('Regulations').

The financial statements are prepared under the historical cost convention.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS101 paragraph 8:

(i) The requirements of IAS 7 'Statement of Cash Flows' and IAS 1 'Presentation of Financial Statements' paragraph 10(d), 111 relating to the presentation of a Cash Flow Statement.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Group Accounts

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Peterborough Green Energy Limited is a wholly owned subsidiary of KNM Group Berhad, a company incorporated in Malaysia and the results of Peterborough Green Energy Limited are included in the consolidated financial statements of KNM Group Berhad which are available online at www.knm-group.com/annual-reports.

1.3 Going concern

The Company is dependent on the support of its immediate parent company KNM Renewable Energy Sdn. Bhd. Continuing finance is required both to enable the Company to meet its liabilities as they fall due and to continue operating without immediate realisation of all its assets.

The directors believe that continuing finance will be available and that it is therefore appropriate to prepare the accounts on a going concern basis.

However, should continuing finance not be available, the going concern basis would be invalid and all fixed assets and long term liabilities would be reclassified as current, which might result in further adjustments.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Asset under construction	Nil
--------------------------	-----

No depreciation has been charged on the assets during the year as they are currently under construction. Depreciation will be charged once the asset is put into use.

PETERBOROUGH GREEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

1.5 Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.6 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Revenue

	2018	2017
	£	£
Other significant revenue		
Interest income	8,799	-
	<u> </u>	<u> </u>

4 Loss from operating

	2018	2017
	£	£
Operating loss for the year is stated after charging:		
Exchange losses	730,183	-
	<u> </u>	<u> </u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £730,183 (2017 - £-).

5 Investment income

	2018	2017
	£	£
Interest income		
Interest on bank deposits	8,799	-
	<u> </u>	<u> </u>

PETERBOROUGH GREEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

(Continued)

5 Investment income

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	8,799	-
	<u> </u>	<u> </u>

6 Finance costs

	2018	2017
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	1,171,671	-
	<u> </u>	<u> </u>

7 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2018	2017
	£	£
Loss before taxation	(1,932,546)	(16,934)
	<u> </u>	<u> </u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.00%)	(367,184)	(3,217)
Unutilised tax losses carried forward	367,184	3,217
	<u> </u>	<u> </u>
Taxation charge for the year	-	-
	<u> </u>	<u> </u>

The Company has estimated losses of £1,957,030 (2017: £24,484) available for carry forward against future trading profits.

PETERBOROUGH GREEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

8 Tangible fixed assets

	Assets under construction £
Cost	
At 1 January 2018	19,672,387
Additions	3,903,989
	<u>23,576,376</u>
At 31 December 2018	<u>23,576,376</u>
Depreciation and impairment	
At 1 January 2018 and 31 December 2018	-
Carrying amount	
At 31 December 2018	<u>23,576,376</u>
At 31 December 2017	<u>19,672,387</u>

9 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	18,714,981	1,863,451
	<u>18,714,981</u>	<u>1,863,451</u>
Carrying amount of financial liabilities		
Measured at amortised cost	72,396,976	21,563,221
	<u>72,396,976</u>	<u>21,563,221</u>

10 Trade and other receivables

	2018 £	2017 £
Amounts falling due within one year:		
Amounts owed by group undertakings	16,808,302	1
Other receivables	1,963,384	1,866,350
	<u>18,771,686</u>	<u>1,866,351</u>

11 Current liabilities

	2018 £	2017 £
	Notes	
Bank loans and overdrafts	13	17
Trade payables		44,946
Amounts due to group undertakings		14,487,461
Other payables		81,282
Accruals and deferred income		3,350
		<u>21,550,991</u>
		<u>21,563,221</u>

PETERBOROUGH GREEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

12 Non-current liabilities

	Notes	2018 £	2017 £
Bank loans and overdrafts	13	57,779,920	-

13 Borrowings

		2018 £	2017 £
Bank loans		57,779,920	-
Bank overdrafts	17	-	-
		<u>57,779,937</u>	<u>-</u>
Payable within one year	17	-	-
Payable after one year		<u>57,779,920</u>	<u>-</u>

14 Share capital and reserves

	2018 £	2017 £
Ordinary share capital		
Allotted, called up and fully paid		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

15 Financial commitments, guarantees and contingent liabilities

In 2017, the Company awarded an Engineering, Procurement, Construction and Commissioning contract to the value of £346 million on a deferred payment basis to China Western Power Industrial Co. Ltd. The contract is scheduled to begin once full planning consent is received and will complete 37 months after commencement. The company expects full planning consent to be received by June 2019.

16 Related party transactions

The Company has taken advantage of the exemption in paragraph 8(k) of FRS101 from the requirement to disclose transactions with group companies on the grounds that all group companies which are party to the transactions are wholly owned by the same company in the group.

PETERBOROUGH GREEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

17 Controlling party

The parent company is Global Green Energy Corporation Limited who owns 100% of the issued share capital.

The ultimate controlling party is KNM Group Berhad who owns 100% of the issued share capital in KNM Renewable Energy Sdn. Bhd., who in turn owns 100% of the issued share capital in Global Green Energy Corporation Limited.

All companies are incorporated in Malaysia with the exception of Global Green Energy Corporation Limited, which is incorporated in Isle of Man.