



EOT Energy A/S

Håndværkervej 67
6710 Esbjerg V
CVR No. 10458374

Annual report 2022

The Annual General Meeting adopted the
annual report on 21.02.2023

Jørgen Einer-Jensen Brammer
Conductor

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2022	8
Balance sheet at 31.12.2022	9
Statement of changes in equity for 2022	11
Notes	12
Accounting policies	15

Entity details

Entity

EOT Energy A/S

Håndværkervej 67

6710 Esbjerg V

Business Registration No.: 10458374

Registered office: Esbjerg

Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Kent Sand Kirk, Chairman

Jørgen Einer-Jensen Brammer

Peter Jensen Toft

Jens Rud Pedersen

Jakob Østergaard Sørensen

Executive Board

Jakob Østergaard Sørensen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Dokken 8

6700 Esbjerg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of EOT Energy A/S for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Esbjerg, 21.02.2023

Executive Board

Jakob Østergaard Sørensen
CEO

Board of Directors

Kent Sand Kirk
Chairman

Jørgen Einer-Jensen Brammer

Peter Jensen Toft

Jens Rud Pedersen

Jakob Østergaard Sørensen

Independent auditor's report

To the shareholders of EOT Energy A/S

Opinion

We have audited the financial statements of EOT Energy A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Esbjerg, 21.02.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jesper Smedegaard Larsen

State Authorised Public Accountant
Identification No (MNE) mne18510

Management commentary

Primary activities

The Company's main activities has, as in previous years, been to be a supplier of piping- and other steel products to the national and international industries within the energy sectors.

Development in activities and finances

Net profit in the financial year amounted to a profit of 7.531 T.DKK against a profit on 333 T.DKK in 2021.

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Gross profit/loss		14,902,250	5,773,821
Staff costs	1	(4,946,312)	(4,994,838)
Depreciation, amortisation and impairment losses	2	(207,665)	(236,832)
Operating profit/loss		9,748,273	542,151
Other financial expenses	3	(88,045)	(111,315)
Profit/loss before tax		9,660,228	430,836
Tax on profit/loss for the year	4	(2,128,872)	(97,742)
Profit/loss for the year		7,531,356	333,094
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		7,000,000	0
Retained earnings		531,356	333,094
Proposed distribution of profit and loss		7,531,356	333,094

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Land and buildings		4,920,497	5,086,162
Other fixtures and fittings, tools and equipment		69,820	111,820
Property, plant and equipment	5	4,990,317	5,197,982
Fixed assets		4,990,317	5,197,982
Manufactured goods and goods for resale		8,956,270	9,955,179
Inventories		8,956,270	9,955,179
Trade receivables		9,923,794	5,405,847
Prepayments		243,911	244,414
Receivables		10,167,705	5,650,261
Cash		15,748,669	10,963,865
Current assets		34,872,644	26,569,305
Assets		39,862,961	31,767,287

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital	6	2,400,000	2,400,000
Retained earnings		22,681,664	22,150,308
Proposed dividend		7,000,000	0
Equity		32,081,664	24,550,308
Deferred tax	7	536,105	553,462
Provisions		536,105	553,462
Current portion of non-current liabilities other than provisions	8	0	399,430
Trade payables		2,917,480	3,011,824
Payables to group enterprises		376,710	1,988,984
Income tax payable		2,146,229	117,655
Other payables		1,804,773	1,145,624
Current liabilities other than provisions		7,245,192	6,663,517
Liabilities other than provisions		7,245,192	6,663,517
Equity and liabilities		39,862,961	31,767,287
Contingent liabilities	9		
Assets charged and collateral	10		
Related parties with controlling interest	11		

Statement of changes in equity for 2022

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	2,400,000	22,150,308	0	24,550,308
Profit/loss for the year	0	531,356	7,000,000	7,531,356
Equity end of year	2,400,000	22,681,664	7,000,000	32,081,664

Notes

1 Staff costs

	2022 DKK	2021 DKK
Wages and salaries	4,297,931	4,391,473
Pension costs	598,234	557,781
Other social security costs	50,147	45,584
	4,946,312	4,994,838
Average number of full-time employees	8	8

2 Depreciation, amortisation and impairment losses

	2022 DKK	2021 DKK
Depreciation of property, plant and equipment	207,665	236,832
	207,665	236,832

3 Other financial expenses

	2022 DKK	2021 DKK
Financial expenses from group enterprises	42,508	51,625
Other interest expenses	32,894	43,431
Other financial expenses	12,643	16,259
	88,045	111,315

4 Tax on profit/loss for the year

	2022 DKK	2021 DKK
Current tax	2,146,229	117,655
Change in deferred tax	(17,357)	(19,913)
	2,128,872	97,742

5 Property, plant and equipment

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	8,844,218	3,986,470
Cost end of year	8,844,218	3,986,470
Depreciation and impairment losses beginning of year	(3,758,056)	(3,874,650)
Depreciation for the year	(165,665)	(42,000)
Depreciation and impairment losses end of year	(3,923,721)	(3,916,650)
Carrying amount end of year	4,920,497	69,820

6 Share capital

	Number	Par value DKK	Nominal value DKK
Shares	2,400	1000	2,400,000
	2,400		2,400,000

7 Deferred tax

	2022 DKK	2021 DKK
Property, plant and equipment	534,653	551,405
Other deductible temporary differences	1,452	2,057
Deferred tax	536,105	553,462

	2022 DKK	2021 DKK
Changes during the year		
Beginning of year	553,462	573,375
Recognised in the income statement	(17,357)	(19,913)
End of year	536,105	553,462

8 Non-current liabilities other than provisions

	Due within 12 months 2021 DKK
Other payables	399,430
	399,430

9 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Estool Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

10 Assets charged and collateral

Bank loans are secured by way of a deposited mortgage deed registered to the mortgagor on plant of DKK 1,900K nominal.

The carrying amount of mortgaged properties is DKK 2.710K.

11 Related parties with controlling interest

Estool 2000 Holding A/S, Esbjerg owns all shares in the company, and thereby in control of the entity.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with the parent company. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Property, plant and equipment**

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	50 years
Other fixtures and fittings, tools and equipment	3-5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.