

TotalEnergies EP Algerie Berkine A/S

CVR-No. 14030573

Annual Report 2023



Approved at the Annual General Meeting: 14 June 2024

Chairman: Morten West

Amerika Plads 29, 2100 Copenhagen Ø

Company information

TotalEnergies EP Algerie Berkine A/S
Amerika Plads 29
DK-2100 Copenhagen Ø
Denmark

CVR-No.: 14030573
Date of incorporation: 28 March 1990
Registered office: Copenhagen
Financial year: 1 January – 31 December 2023

Board of Directors

Jean Jaylet (Chairman)
Martin Rune Pedersen
Christina Sjøberg Heineke Petersen

Executive Board

Moufdi Zakaria Chikh

Auditors

PRICEWATERHOUSECOOPERS
Statsautoriseret Revisionspartnerselskab
CVR-No.: 33771231
Strandvejen 44
DK-2900 Hellerup

Representation office

TotalEnergies EP Algerie Berkine A/S
20, rue Sfindja
16030 El-Biar, Alger
Algeria

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Management's Review

Activities

TotalEnergies EP Algerie Berkine A/S (the "Company") is a wholly owned subsidiary of TotalEnergies EP Danmark A/S.

The Company participated in production activities in two onshore blocks in partnership with Anadarko, ENI and the state-owned oil company, Sonatrach.

On 19th July 2022, the Company signed an agreement to terminate the partnership. This agreement entered into force on 3rd May 2023, when the Algerian government approved and published the new Berkine Production Sharing arrangement signed by Anadarko, Eni and TotalEnergies EP Algérie SAS, a related party. As a consequence, the activities of the Company ceased as of May 2023.

Financial review

Financial performance for the year

The result for 2023 shows a profit of USD 63 million, which is much lower than the last year's result (2022: profit USD 246 million), mainly caused by ceased operations in May 2023. Thus, the financial results for the year 2023 is based on oil produced until 2nd May, after which the Berkine contract is terminated.

TotalEnergies EP Algerie Berkine A/S delivered an entitlement oil production of 7.7 thousand barrels of oil equivalent per day (kboepd) vs 23.8 kboepd in 2022.

As of 31st December 2023, the financial situation of the Company has been affected by the following main transactions:

- Ongoing operational activities under the 86 Berkine Contract until 2nd May 2023.
- Relinquishment on 2nd May 2023 of the remaining historical contractual rights of TotalEnergies EP Algerie Berkine A/S under the 86-13 Berkine Contract, triggering the recognition of an exceptional write-off of the statutory net book value of its assets and liabilities as of 30th May 2023 (composed of USD 152 million of Property, Plant and Equipment, USD 54 million of inventories net of USD 17 million of ARO obligations, i.e. globally an exceptional loss of -USD 189 million).
- Indemnification received in cash by the Company from TotalEnergies EP Algérie SAS on 28th December 2023 for an amount of USD 175 million after signature of an Indemnity Agreement validated by the governance bodies of the two entities and triggering an exceptional positive income of USD 175 million for the Company.

Such indemnity was the consequence of

- the approval on 22nd December 2023, by the Board of Directors of the Company to such renunciation to its rights under the 86 Berkine Contract and of an indemnity agreement of 175 M USD and
- the approval by TotalEnergies Holdings SAS, as shareholder of TotalEnergies EP Algérie SAS of the resolution of such indemnity to be paid by TotalEnergies EP Algérie SAS to TotalEnergies EP Algérie Berkine A/S in exchange of its renunciation.

Key figures for the Company are as follows:

USD million	2023	2022	2021	2020	2019
Income statement:					
Revenue	0	768	608	377	709
Profit before financial items and tax	0	665	490	256	576
Financial items, net	21	4	0	1	4
Profit/loss from discontinuing activities	42	0	0	0	0
Profit for the year after tax	63	246	179	63	156
Balance sheet:					
Total assets	658	627	536	411	545
Investments in property, plant and equipment	0	163	186	224	260
Equity	625	562	486	367	504
Profit margin	N/A	87%	81%	68%	81%
Solvency ratio	95%	90%	91%	89%	93%
Return on equity	3%	119%	101%	70%	115%

For definitions, see under accounting policies.

Comparative figures in the income statement for 2023 have not been adjusted in respect of discontinued activities in 2022.

Comparative figures in 2022, 2021, 2020 and 2019 have not been adjusted in the balance sheet in respect of discontinued activities in 2023.

Guidance for 2024

All operations of Total Energies EP Algerie Berkine A/S ceased in May 2023. Thus, the financial results for the year 2024 of the Company will depend on the potential outcome of the liquidation committee of the 86 Berkine Contract by the Algerian Authorities.

External environment

Until the end of this contract, the Company was continuously supporting the Operator by ensuring operations are conducted in the safest and most efficient manner. Furthermore, through its active engagement in the Algerian joint operation, the Company sought to make use of environmentally friendly and energy efficient solutions to reduce the negative impact on the environment.

Corporate Social Responsibility

Social responsibility is important to the Company's business, and in 2023 the Company continued its activities in line with the TotalEnergies SE strategy.

For more information, reference is made to TotalEnergies SE's Universal Registration Document 2023, page 273 at:

<https://www.totalenergies.com/en/investors/publications-and-regulated-information/regulated-information/annual-financial-reports>

Requirements according to the Danish Financial Statements Act, section 99a have been fulfilled, reference to reporting for parent Company TotalEnergies SE.

Goals and policies for the underrepresented gender

The Board believes that its members should be elected on the basis of their combined qualifications and, at the same time, recognizes the advantages of a Board comprising a wide range of backgrounds such as global experience, style, culture and gender.

As of 31 December 2023, there was 1 woman among the 3 board members appointed at the general meeting. Consequently, the Company's board is, according to the Danish Companies Act, considered having equal representation of genders among the Company's shareholder-appointed board members.

2023

Board of Directors

Total members of the Board of Directors	3
Underrepresented gender in percentage	33.33%
Target in percentage	33.33%

Other management consists of one person in the form of the managing director.

Since the other management consists of one person and there are no additional employees in the company, the company is not required to indicate the proportion of the underrepresented gender, nor to establish target figures and policy for this in accordance with the Annual Accounts Act.

Requirements according to the Danish Financial Statements Act, section 99b have been fulfilled.

Payments to governments

Requirements according to the Danish Financial Statements Act, section 99c have been fulfilled, reference to reporting for parent company TotalEnergies SE. The information can be found from the TotalEnergies SE's Registration Document 2023, page 356, 395, 556 and 583 at:

<https://www.totalenergies.com/en/investors/publications-and-regulated-information/regulated-information/annual-financial-reports>

Risks and uncertainties

TotalEnergies EP Algerie Berkine A/S is subject to a variety of risks which derive from the nature of the oil production activities.

The Company's strategic, operational, compliance, financial and emerging risks are monitored through a structured approach including systematic identification, assessment and mitigation of the risks.

Reporting on Data Ethics Policy, cf. Danish Financial Statement Act §99d

The Company does not have a Data Ethics Policy because it is a non-operating partner and investor. As such, it monitors the Operator's technical activities based on information provided by the Operator but does not participate directly in any exploration or production work. It does not have ethical dilemmas related to data. Accordingly, Management has determined that a Data Ethics Policy is not required at this time.

Management's Statement

The Board of Directors and Executive Board today have discussed and approved the annual report of TotalEnergies EP Algeria Berkine A/S for 2023.

The annual report for 2023 of the Company has been prepared in accordance with the Danish Financial Statements Act and, in our opinion, gives a true and fair view of the Company's assets, liabilities and the financial position at 31 December 2023 and of the results of the Company's operations for the financial year 2023.

In our opinion, the Management's' Review includes a fair review of the development in and the result of the Company's operations and financial conditions, the result for the year and financial position.

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

Copenhagen, 14 June 2024

Executive Board:



Moufdi Zakaria Chikh

Board of Directors:



Jean Jaylet
(Chairman)

Martin Rune Pedersen

Christina S. Heineke Petersen

Management's Statement

The Board of Directors and Executive Board today have discussed and approved the annual report of TotalEnergies EP Algerie Berkine A/S for 2023.

The annual report for 2023 of the Company has been prepared in accordance with the Danish Financial Statements Act and, in our opinion, gives a true and fair view of the Company's assets, liabilities and the financial position at 31 December 2023 and of the results of the Company's operations for the financial year 2023.

In our opinion, the Management's' Review includes a fair review of the development in and the result of the Company's operations and financial conditions, the result for the year and financial position.

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

Copenhagen, 14 June 2024

Executive Board:

Moufdi Zakaria Chikh

Board of Directors:

Jean Jaylet
(Chairman)



Christina S. Heineke Petersen



Martin Rune Pedersen

Independent auditors' report

To the shareholder of TotalEnergies EP Algerie Berkine A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of TotalEnergies EP Algerie Berkine A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements, or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

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 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 in preparing the financial statements unless Management either intends to liquidate the Company 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 judgment and maintain professional skepticism 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 Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, 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.

Hellerup, 14 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR no. 33 77 12 31



Bo Schou-Jacobsen

State Authorised

Public Accountant

MNE no. 28703



Ming Thieu Son Tang

State Authorised

Public Accountant

MNE no. 49833

Accounting Policies

The annual report for 2023 of TotalEnergies EP Algerie Berkine A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applicable to large class C companies.

Due to changes in internal registrations in the Company's financial reporting system, reclassifications between non-current other provisions and current other payables line items in the balance sheet have been made in the comparative figures for 2022. The reclassifications have no impact on either profit for the year or equity.

Besides from the before mentioned, the accounting policies applied remain unchanged from last year.

The Cash Flow Statement of TotalEnergies EP Algerie Berkine A/S is recognized in the consolidated financial statements of TotalEnergies SE, Tour Coupole, 2 place Jean Millier, 92078 Paris la Défense, France. Therefore, cash flow statement is not presented in the annual report of TotalEnergies EP Algerie Berkine A/S, cf. Danish Financial Statements Act provision 86 section 4.

Fee to auditors appointed at the general meeting has not been disclosed in accordance with section 96 section 3 of the Danish Financial Statements Act. Reference is made to the consolidated Financial Statements of TotalEnergies SE where this is presented for the Group as a whole.

Key Figures

The ratios shown in the Management's Review are computed as follows:

$$\text{Profit margin} = \frac{\text{Result before financial items}}{\text{Revenue}}$$

$$\text{Solvency ratio} = \frac{\text{Equity, closing}}{\text{Total assets, closing}}$$

$$\text{Return on equity} = \frac{\text{Result before taxes}}{\text{Equity, closing}}$$

Foreign Currency

The presentation currency is USD. The annual report is presented in USD, in accordance with provision 16 of the Danish Financial Statements Act. The exchange rate of USD to DKK was 6.7447 at 31 December 2023 (2022: DKK 6.9722).

Monetary assets and liabilities in currencies other than USD are translated at the exchange rate at the balance sheet date. Transactions in currencies other than USD are translated at the exchange rate prevailing at the date of the transaction.

Exchange rate gains and losses are included in the income statement as financial income and expenses.

The Income Statement

Revenue comprises the value of the Company's share of the oil production as well as oil traded. If the Company sells more than its share of the produced oil (overlift), this is recognised at sales price in the balance sheet under "Deferred income". If the Company sells less than its share of the produced oil (underlift), this is recognised at cost price under "Inventories". Tax settled in oil is recognised both as revenue and tax expenses.

Production costs are comprised of the Company's share of production cost under the production sharing contract incurred in generating the revenue. Production costs include materials, direct labour, depreciation and amortisation of production related non-current assets and other indirect production costs.

Administrative expenses include parent company overhead, depreciation and amortisation of not related to production non-current assets and other general administrative expenses including non-production staff cost.

Financial items comprise interest and currency exchange rate gains and losses from translation of balances in foreign currencies other than USD.

Tax on profit. The Company is jointly taxed with a number of Danish companies in the TotalEnergies group of companies. Tax on profit for the year includes the amount estimated to be paid for the year as well as adjustments regarding previous years. Furthermore, tax cost includes oil tax based on gross measures.

The tax amount includes the special taxes relating to extraction and production of hydrocarbons in Algeria.

Discontinued operations. Discontinued operations are material business areas that, according to an overall plan, will be divested, closed, or abandoned. The result of discontinued operations is presented as a separate line in the income statement consisting of operating profit after tax for the activities in question and any gains or losses on fair value adjustment of the disposal or relinquishment of assets and liabilities associated with the discontinued operations. Assets related to discontinued operations are presented separately in the balance sheet as current assets. Liabilities directly related to the assets

and discontinued activities are presented as current liabilities in the balance sheet. Comparative figures have not been adjusted.

The Balance Sheet

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets.

Investments in Joint Ventures. Joint Ventures are meeting the definition of a Joint Operation as per IFRS 11 as all partners have direct access to the assets within the Joint Venture and are jointly and severally liable for the liabilities incurred. Thus, Joint Ventures are included by proportionate consolidation which means the Company's proportionate share of the jointly controlled assets, liabilities, income and expenses are recognized. Recognition and measurement are done in accordance with the Company's accounting policies. The notes include information about other liabilities for which the Company is liable in connection with the joint venture as a consequence of joint and several liability.

Property, plant and equipment was measured at cost less accumulated depreciation and impairment losses.

The cost price of production facilities etc. comprises direct and indirect costs for appraisal and production wells and production equipment, etc. for fields considered commercial. Costs include the net present value of estimated costs of abandonment, removal and restoration, where the Company holds this obligation. Depreciation on production facilities etc. is made over the expected production period/economic life, based on production capacity of oil reserves.

Depreciation method for production equipment is UOP: Unit of Production Method.

Depreciation periods and residual values for property, plant and equipment are re-evaluated annually.

Impairment losses are recognized when the carrying amount of an asset or a cash-generating unit exceeds the higher of the estimated value in use and fair value less costs to sell.

Property, plant and equipment under construction includes cost directly related to exploration and improving of production facilities. Assets under construction are assessed monthly and transferred to "in service" when considered final.

Impairment losses are recognized when the carrying amount of an asset or a cash-generating unit exceeds the higher of the estimated value in use and fair value less costs of disposals.

Inventories, which mainly comprise spare parts etc., are measured at cost following the FIFO principle, less write-down for obsolescence. Underlift is measured at lower of cost and market price.

Receivables are measured at nominal value which in all material respects corresponds to amortized cost. Write-down is made for anticipated losses on an individual basis.

Prepayments recognized under assets include prepaid expenses.

Dividend for distribution regarding the financial year is included as part of the **equity**.

Provisions are recognized when there is an existing legal or actual obligation. Provisions are recognized on the basis of specific estimates and consider discounting when the time element is significant. Asset retirement obligations, which result from a legal or constructive obligation, are recognized based on a reasonable estimate in the period in which the obligation arises. This estimate is based on information available in terms of costs and work program. It is regularly reviewed to take into account the changes in laws and regulations, the estimates of reserves and production, the analysis of site conditions and technologies. The discount rate is reviewed annually.

Payable to group companies and trade payables include balance with operator, related to expenses incurred under the Production Sharing Contract. The debt is measured at amortized cost price or lower net realizable value, which in most situations corresponds to the nominal value.

Other payables include balance with operator, related to expenses incurred under the Production Sharing Contract and tax payable.

TOTALENERGIES EP ALGERIE BERKINE A/S
INCOME STATEMENT FOR 2023

		USD 1,000	
Note		2023	2022
1.	Revenue	0	768,095
2.	Production costs	0	(83,536)
	GROSS PROFIT	0	684,559
3.	Administrative expenses	0	(19,697)
	PROFIT BEFORE FINANCIAL ITEMS AND TAX	0	664,862
4.	Financial income	21,247	4,143
	Financial expenses	0	(13)
	PROFIT BEFORE TAX	21,247	668,992
5.	Tax on profit for the year	0	(423,383)
	PROFIT FROM CONTINUING ACTIVITIES	21,247	245,609
6, 7.	Profit/(loss) from discontinuing activities	41,749	0
8.	PROFIT FOR THE YEAR	62,996	245,609

TOTALENERGIES EP ALGERIE BERKINE A/S
BALANCE SHEET AT 31.12.2023

USD 1,000

Note	2023	2022
ASSETS		
NON-CURRENT ASSETS		
2. Property, plant and equipment		
Production facilities etc.	0	149,639
Production facilities etc. under construction	0	13,728
	0	163,367
TOTAL NON-CURRENT ASSETS	0	163,367
CURRENT ASSETS		
Inventories		
Raw materials and consumables	0	52,632
Receivables		
Receivables from sale of oil etc.	0	5,058
Receivables from Group companies	657,494	387,362
Other receivables	0	18,949
	657,494	411,369
Cash	78	78
TOTAL CURRENT ASSETS	657,572	464,079
TOTAL ASSETS	657,572	627,446

TOTALENERGIES EP ALGERIE BERKINE A/S
BALANCE SHEET AT 31.12.2023

USD 1,000

Note	2023	2022
LIABILITIES AND EQUITY		
EQUITY		
9.	11,040	11,040
	13,978	550,982
	600,000	0
	<u>625,018</u>	<u>562,022</u>
NON-CURRENT LIABILITIES		
10.	32,468	33,914
	<u>32,468</u>	<u>33,914</u>
CURRENT LIABILITIES		
	0	17,882
	86	977
	0	12,651
	<u>86</u>	<u>31,510</u>
	<u>32,554</u>	<u>65,424</u>
	657,572	627,446
11.	Contingencies etc.	
12.	Related parties	
13.	Subsequent events	

TOTALENERGIES EP ALGERIE BERKINE A/S
STATEMENT OF CHANGES IN EQUITY AT 31.12.2023

(USD 1,000)

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Proposed Dividends</u>	<u>Total</u>
Equity 01.01	11,040	550,982	0	562,022
Profit for the year	0	(537,004)	600,000	62,996
Equity 31.12	11,040	13,978	600,000	625,018

TOTALENERGIES EP ALGERIE BERKINE A/S

Notes as at 31.12.2023

(USD 1,000)

Note 1, Revenue

The revenue was generated from selling oil and liquefied natural gas in Algeria.

<u>Revenue by activities</u>	2023	2022
Oil sales	0	725,000
Gas sales	0	37,335
Condensates sales	0	5,760
	<u>0</u>	<u>768,095</u>

Note 2, Property, plant and equipment;

	2023	2023
	Production facilities etc.	Production facilities etc. under construction
Cost at 01.01	1,091,283	13,728
Additions during the year	0	3,691
Transferred	1,910	(1,910)
Write-off/Relinquishment during the year	(1,093,193)	(15,509)
Cost price 31.12	<u>0</u>	<u>0</u>
Depreciation and impairment losses at 01.01	941,643	0
Depreciation for the year (Ref. Note 6)	15,032	0
Write-off/Relinquishment during the year	(956,675)	0
Depreciation and impairment losses at 31.12	<u>0</u>	<u>0</u>
Carrying amount 31.12	<u>0</u>	<u>0</u>

Property, plant and equipment in Algeria attached to the right of use for the consortium have been written-off following the relinquishment of the 86 Berkine Contract in May 2023, carrying amount is USD 0 as of 31 December 2023 (2022: USD 163 million).

Note 3, Staff cost

The Company has no employees, as all those engaged are employed in other group companies.

Executive Board remuneration in year 2023 is USD 1,020 thousand.

There has been no remuneration to the Board of Directors in 2023 and 2022.

TotalEnergies has a performance shares program, and the Executive Board members of the Company are enrolled in the program in 2023.

The Performance Shares will vest 3 years after the grant provided that the vesting conditions (presence and performance conditions) are met. After the vesting period, the employee becomes the owner of the Performance Shares. The employee must own the Performance Shares for 2 years calculated from end of the Vesting Period prior to selling the shares.

The value of the performance shares granted in 2023 is estimated at USD 307 thousand (2022: USD 199 thousand).

Note 4, Financial income

	2023	2022
Interest received from group companies	21,247	4,135
Exchange rate adjustments etc.	0	8
	<u>21,247</u>	<u>4,143</u>

Note 5, Corporate tax

<i>Profit/(expenses)</i>	2023	2022
Current tax for the year	0	(422,623)
Prior year tax	0	(760)
Total tax for the year	<u>0</u>	<u>(423,383)</u>

Note 6, Discontinuing activities

	2023	2022
Revenue	237,971	
Production costs	(5,224)	0
GROSS PROFIT/(LOSS)	232,748	0
Administrative expenses	(4,822)	0
OPERATING PROFIT/(LOSS)	227,926	0
Other operating costs (ref. Note 7)	(46,639)	0
PROFIT BEFORE FINANCIAL ITEMS AND TAX	181,287	0
PROFIT BEFORE TAX	181,287	0
Tax on profit for the year	(139,538)	0
Net profit/(loss) from discontinuing activities	41,749	0
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment		
Production facilities etc.	0	
Production facilities etc. under construction	0	
	0	
TOTAL NON-CURRENT ASSETS	0	
CURRENT ASSETS		
Inventories		
Raw materials and consumables	0	
TOTAL CURRENT ASSETS	0	
Assets relating to discontinuing activities	0	

Note 6, Discontinuing activities (cont.)

NON-CURRENT LIABILITIES

Other provisions	0
	<u>0</u>
TOTAL LIABILITIES	<u>0</u>
Total Liabilities relating to discontinuing activities	<u>0</u>

Note 7, Special items

Other operating costs from Discontinuing activities in total amount of USD 47 million (Note 6) includes USD 15 million of non-current provision recognized in 2023. The provision relates to the Company's obligations due to its liquidation and disclosed in Note 10. The remaining loss of USD 32 million relates to the result of the transfer of assets.

Note 8, Proposed distribution of net profits

	2023	2022
Proposed dividend for distribution	600,000	0
Retained earnings	(537,004)	245,609
	<u>62,996</u>	<u>245,609</u>

Note 9, Equity shares

Share capital consists of the following shares:

	Number	Nominal, DKK
	<u>70,000</u>	<u>1,000</u>
Total nominal value in DKK		<u>70,000,000</u>

Note 10, Provisions

Following the relinquishment of the 86 Berkine contract by the Company the abandonment obligations provisions have been derecognized in 2023 for an amount of USD 17 million and recognised USD 32 million of liquidation provision (2022: USD 34 million consist of abandonment obligations USD 17 million and liquidation provision of USD 17 million).

Note 11, Contingencies

For exploration in Algeria, the Company is liable jointly and severally with the other consortium partners for exploration commitment and obligations in connection with field development, at the condition that these commitments were taken prior to the relinquishment enacted on 3rd May 2023.

As of 31 December 2023, the Company is jointly taxed with the Danish companies within the TotalEnergies group of companies. This entails unlimited joint liability for Danish corporation taxes and withholding taxes on dividends, interests, and royalties within the jointly taxed companies. A similar obligation exists for joint registration of VAT.

Note 12, Related parties

Transactions with related parties has been carried out at arm's length terms.

Parties exercising control

The Company is 100% owned by TotalEnergies EP Danmark A/S.

As of 31 December 2023, the ultimate parent company is TotalEnergies SE, Tour Coupole, 2 place Jean Millier, 92078 Paris la Défense, France. The consolidated Financial Statements of the TotalEnergies group of companies are available at:

<https://www.totalenergies.com/en/investors/publications-and-regulated-information/regulated-information/annual-financial-reports>

The Company is included in the consolidated Financial Statements as a subsidiary.

Note 13, Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.