
Atlas Incinerators ApS

Masnedøvej 73, DK-4760 Vordingborg

Annual Report for
1 July 2021 - 31 December 2022

CVR No. 31 08 31 76

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 29/6 2023

Thomas Kastrup
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of Atlas Incinerators ApS for the financial year 1 July 2021 - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and of the results of the Company operations for 2021/22.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Vordingborg, 28 June 2023

Executive Board

Anders Egehus
CEO

Henning Høgh
COO

Thomas Kastrup
CFO

Board of Directors

Jesper Teddy Lok
Chairman

Bo Kristensen

Rasmus Hans Jensen

Thomas Synnestvedt Knudsen

Bernd Bertram

Independent Auditor's report

To the shareholders of Atlas Incinerators ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 July 2021 - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Atlas Incinerators ApS for the financial year 1 July 2021 - 31 December 2022, 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.

Independent Auditor's report

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 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, 28 June 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Michael Groth Hansen

State Authorised Public Accountant

mne33228

Frederik Geer Harvest

State Authorised Public Accountant

mne45859

Company information

The Company	Atlas Incinerators ApS Masnedøvej 73 DK-4760 Vordingborg CVR No: 31 08 31 76 Financial period: 1 July 2021 - 31 December 2022 Incorporated: 5 December 2007 Municipality of reg. office: Vordingborg
Board of Directors	Jesper Teddy Lok, chairman Bo Kristensen Rasmus Hans Jensen Thomas Synnestvedt Knudsen Bernd Bertram
Executive Board	Anders Egehus Henning Høgh Thomas Kastrup
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Management's review

Key activities

The Company's main activity is production, development and sale of incinerators for the maritime sector.

Development in the year

The income statement of the Company for 2021/22 shows a profit of TDKK 11,395, and at 31 December 2022 the balance sheet of the Company shows positive equity of TDKK 103,298.

Income statement 1 July 2021 - 31 December 2022

	Note	2021/22 TDKK 18 months	2020/21 TDKK 12 months
Gross profit		30,554	20,330
Staff expenses	2	-12,490	-9,800
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-5,470	-1,787
Profit/loss before financial income and expenses		12,594	8,743
Financial income	3	3,000	1,108
Financial expenses	4	-1,288	-609
Profit/loss before tax		14,306	9,242
Tax on profit/loss for the year	5	-2,911	-1,904
Net profit/loss for the year		11,395	7,338

Distribution of profit

	2021/22 TDKK	2020/21 TDKK
Proposed distribution of profit		
Retained earnings	11,395	7,338
	11,395	7,338

Balance sheet 31 December 2022

Assets

	Note	2021/22 TDKK	2020/21 TDKK
Completed development projects		687	188
Acquired licenses		26	0
Goodwill		9,430	10,478
Development projects in progress		6,260	6,733
Intangible assets	6	16,403	17,399
Land and buildings		20,714	18,637
Other fixtures and fittings, tools and equipment		167	102
Leasehold improvements		162	49
Property, plant and equipment		21,043	18,788
Fixed assets		37,446	36,187
Raw materials and consumables		8,213	6,893
Work in progress		1,358	1,688
Finished goods and goods for resale		708	261
Assets meant for sale		0	3,686
Inventories		10,279	12,528
Trade receivables		7,746	5,714
Receivables from group enterprises		83,058	44,337
Other receivables		420	437
Deferred tax asset		777	1,611
Corporation tax receivable from group enterprises		0	4,531
Prepayments		630	260
Receivables		92,631	56,890
Cash at bank and in hand		231	0
Current assets		103,141	69,418
Assets		140,587	105,605

Balance sheet 31 December 2022

Liabilities and equity

	Note	2021/22 TDKK	2020/21 TDKK
Share capital		19,797	19,797
Reserve for development costs		3,054	4,061
Retained earnings		80,447	68,045
Equity		103,298	91,903
Other provisions		446	241
Provisions		446	241
Other payables		726	830
Long-term debt	7	726	830
Credit institutions		0	2,118
Prepayments received from customers		857	2,435
Trade payables		5,722	4,180
Payables to group enterprises		26,261	0
Payables to group enterprises relating to corporation tax		2,077	0
Other payables	7	1,200	3,898
Short-term debt		36,117	12,631
Debt		36,843	13,461
Liabilities and equity		140,587	105,605
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Statement of changes in equity

	Share capital	Reserve for development costs	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 July	19,797	4,061	68,045	91,903
Development costs for the year	0	2,196	-2,196	0
Depreciation, amortisation and impairment for the year	0	-3,203	3,203	0
Net profit/loss for the year	0	0	11,395	11,395
Equity at 31 December	19,797	3,054	80,447	103,298

Notes to the Financial Statements

	2021/22	2020/21
	TDKK	TDKK
1. Other operating income		
Other income	4,724	2,000
	<u>4,724</u>	<u>2,000</u>

Other operating income relates to rental income and income received from a subsidy.

	2021/22	2020/21
	TDKK	TDKK
2. Staff Expenses		
Wages and salaries	11,117	8,718
Pensions	1,086	660
Other social security expenses	287	167
Other staff expenses	0	255
	<u>12,490</u>	<u>9,800</u>
Average number of employees	<u>18</u>	<u>16</u>

	2021/22	2020/21
	TDKK	TDKK
3. Financial income		
Interest received from group enterprises	3,000	1,108
	<u>3,000</u>	<u>1,108</u>

	2021/22	2020/21
	TDKK	TDKK
4. Financial expenses		
Interest paid to group enterprises	905	459
Other financial expenses	210	27
Exchange loss	173	123
	<u>1,288</u>	<u>609</u>

Notes to the Financial Statements

	<u>2021/22</u>	<u>2020/21</u>
	TDKK	TDKK
5. Income tax expense		
Current tax for the year	2,077	0
Deferred tax for the year	834	1,904
	<u>2,911</u>	<u>1,904</u>

6. Intangible fixed assets

The capitalized development cost relates to continuing the expansion of our newest product family in Atlas Incinerator. The size, efficiency and technology will ensure to keep Atlas Incinerators as the leading brand in the marked.

7. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2021/22</u>	<u>2020/21</u>
	TDKK	TDKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	726	830
Long-term part	726	830
Within 1 year	0	142
Other short-term payables	1,200	3,756
	<u>1,926</u>	<u>4,728</u>

8. Contingent assets, liabilities and other financial obligations

Guarantee obligations

The Company has provided guarantees totaling TDKK 330.

The Company has also provided security for Group companies debt to credit institutions.

Notes to the Financial Statements

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of P-G&O 2021 A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

9. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
P-G&O 2021 A/S	Copenhagen
G&O Holding 2021 A/S	Allerød

Notes to the Financial Statements

10. Accounting policies

The Annual Report of Atlas Incinerators ApS for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021/22 are presented in TDKK.

Correction of comparative figures

The Company has corrected a reclassification misstatements in the comparative figures for 2020/21.

The reclassification adjustment relates to subsidy granted for a development project, which offset the cost of the project. The correction has increased development projects by TDKK 1,714 for 2020/21 with a corresponding increase on other payables. The adjustment has no impact on the Company's profit and loss statement or equity.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Income statement

Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales as well as office expenses, etc.

Notes to the Financial Statements

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the parent company and all its Danish subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Intangible fixed assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 20 year.

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 5 year.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Property, plant and equipment

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

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Notes to the Financial Statements

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Production buildings	10-40 years
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5-7 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Inventories

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

Notes to the Financial Statements

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.