

Keel Solution ApS

Bredgade 19 E

1260 København K

CVR No. 31253284

Annual Report 2023

16. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 14 June 2024

Christian Grahn
Chairman



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Management's Statement

Today, Management has considered and adopted the Annual Report of Keel Solution ApS for the financial year 1 January 2023 - 31 December 2023.

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 assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

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

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 14 June 2024

Executive Board

Christian Didriksen Grahn
Man. Director

The independent practitioner's report

To the shareholders of Keel Solution ApS

Conclusion

We have performed an extended review of the financial statements of Keel Solution ApS for the financial year 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

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

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review 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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of the 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.

Practitioner's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

The independent practitioner's report

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements, or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the 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 materially misstatement in the Management's review.

Copenhagen, 14 June 2024

Sønderup I/S
statsautoriserede revisorer
CVR-no. 31824559

Christian Hjortshøj
State Authorised Public Accountant
mne34485

Company details

Company	Keel Solution ApS Bredgade 19 E 1260 København K
CVR No.	31253284
Date of formation	31 January 2008
Financial year	1 January 2023 - 31 December 2023
Executive Board	Christian Didriksen Grahn
Auditors	Sønderup I/S statsautoriserede revisorer Strandesplanaden 110, 2. 2665 Vallensbæk Strand CVR-no.: 31824559
Bank	Nordea Bank Strandgade P.O. Box 850 0900 København K

Company details

Group chart

Subsidiaries

Name	Registered office	Reg. capital	Reg. capital t.DKK	Owner- ship
Keel Solution LLC	Ukraine	1.374 t.UAH	248 t.DKK	100%
IT Data Group ApS	Danmark	40 t.DKK	40 t.DKK	100%
Stellar Staff Pte	Singapore	1 USD	7 DKK	100%
Keel Pte Ltd	Singapore	1 USD	7 DKK	100%

Management's Review

Main activity

Keel Solution's main services are related to providing the Energy Sector with services within Asset Data Management. These services are a combination of on-site visual inspections on complex technical assets, high-end data processing and IT services. Currently Keel Solution is servicing companies within the Oil and Gas Industry, and the Green Sustainable Energy Industry.

Development in the activities and the financial situation of the Company

2023 was a satisfactory year for Keel Solution. The influx of new customers has contributed to the positive result in 2023.

The overall market position of Keel Solution is growing stronger, and the brand is well recognized within the energy sector. Marketing and sales efforts have been strengthened and new customers have been added to the portfolio, and the high retention of existing customers ensures a stable flow of projects. The customer base of Keel Solution is increasing and the biggest increase are customers from the Middle East and East Asia.

In Keel Solution, we foresee moderate economic growth in 2024 compared to 2023. The relative high oil price will most likely increase the demand for our services, and the increased activities in the Green Energy Sector will bring the performance in 2024 a bit higher than 2023.

Notifications after year-end 31st of December 2023

The unstable conditions caused by the invasion of The Russian Federation into Ukraine, will most likely still have some impact on the performance of the company in 2024. We foresee a market that will grow moderate in 2024. Recruitment of qualified personnel in Ukraine is difficult due to the Russian invasion.

Income Statement

	Note	2023 kr.	2022 kr.
Gross profit		6.942.469	1.496.437
Staff cost	1	-3.086.409	-3.568.281
Depreciation and impairment of plant and equipment		-378.249	-378.249
Writedowns of current assets		1.203.611	-1.203.611
Profit from ordinary operating activities		4.681.422	-3.653.704
Income/loss from investments in group enterprises		-216.577	-598.091
Finance income		288.101	242.328
Finance expenses		-86.627	-759.274
Profit before tax		4.666.320	-4.768.741
Tax expense on ordinary activities	2	-387.892	230.157
Profit		4.278.428	-4.538.584
 Proposed distribution of results			
Reserve for net revaluation according to equity method		-216.577	-599.103
Retained earnings		4.495.005	-3.939.481
Distribution of profit		4.278.428	-4.538.584

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Assets			
Fixtures, fittings, tools and equipment		102.115	138.762
Leasehold improvements		2.127.863	2.469.464
Plant and equipment		2.229.977	2.608.227
Investments in group companies		11.737.886	12.101.644
Deferred tax assets		1.124.033	1.511.925
Deposits		244.678	244.678
Investments		13.106.597	13.858.247
Fixed assets		15.336.574	16.466.474
Trade receivables		3.060.937	918.135
Receivables from group companies	3	2.872.608	2.451.399
Other receivables		18.722	916.361
Receivables		5.952.266	4.285.896
Cash and cash equivalents		5.739	89.425
Current assets		5.958.005	4.375.321
Assets		21.294.579	20.841.795

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Contributed capital		2.453.000	3.253.000
Reserve for net revaluation according to equity method		11.453.714	11.729.270
Retained earnings		-3.436.335	-8.790.319
Equity		10.470.379	6.191.951
Payables to group enterprises		7.339.337	12.553.105
Long-term liabilities	4	7.339.337	12.553.105
Debt to banks		1.321.653	0
Trade payables		742.679	659.818
Other payables		1.358.179	1.427.137
Intercompany with owner		62.353	9.785
Short-term liabilities		3.484.864	2.096.739
Liabilities		10.824.201	14.649.844
Liabilities and equity		21.294.579	20.841.795
Contingent liabilities	5		

Statement of changes in Equity

	Contributed capital	Reserve for net reval- uation ac- cording to equity method	Retained earnings	Total
Equity 1 January 2023	3.253.000	11.729.270	-8.790.319	6.191.951
Decrease of capital	-800.000	0	800.000	0
Change of investments through net exchange differences	0	-58.979	58.979	0
Profit (loss) from group enterprises	0	-216.577	4.495.005	4.278.428
Equity 31 December 2023	2.453.000	11.453.714	-3.436.335	10.470.379

The share capital has developed as follows:

	2023	2022	2021	2020	2019
Balance at the beginning of the year	3.253.000	3.253.000	3.253.000	2.000.000	2.000.000
Correction at the beginning of the year	0	0	0	0	0
Addition during the year	0	0	0	1.253.000	0
Disposial during the year	-800.000	0	0	0	0
Other adjustments	0	0	0	0	0
Balance at the end of the year	2.453.000	3.253.000	3.253.000	3.253.000	2.000.000

Notes

	2023	2022
1. Staff costs		
Wages and salaries	2.456.000	2.616.000
Post-employment benefit expense	595.280	916.919
Social security contributions	35.129	35.361
	<u>3.086.409</u>	<u>3.568.280</u>

Average number of employees	<u>4</u>	<u>4</u>
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2. Tax expense

Adjustments for deferred tax	-1.074.776	916.212
Adjustments for deferred tax of prior period	686.884	-686.055
	<u>-387.892</u>	<u>230.157</u>

3. Long-term receivables

The total amount of TDKK 2.873 is considered to be long-term receivable.

4. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Payables to group enterprises	<u>7.339.337</u>	<u>0</u>	<u>0</u>
	<u>7.339.337</u>	<u>0</u>	<u>0</u>

5. Contingent liabilities

The company has lease contracts. On the balance sheet date, there is an obligation of approx. t.DKK 253.

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation.

Accounting Policies

The annual report of Keel Solution ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

Reporting currency

The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Other external expenses

Other external expenses include expenses for sales, advertising, administration, premises, bad debts, leasing expenses etc.

Administrative expenses include expenses for Management and administrative staff, office expenses, amortization and depreciation, etc.

Accounting Policies

Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc.

Other staff expenses are recognised in other external expenses.

Amortisation and impairment of tangible assets

Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-10 years	0%
Leasehold improvements	5 years	0%

Income from investments in group companies

Income from equity investments comprises the proportionate share of profit/loss after tax and any adjustment of internal profit/loss and less amortization of consolidated goodwill.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies and surcharges and allowances under the advance-payment of tax scheme.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Plant and equipment

Plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

Accounting Policies

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-10 years	0%
Leasehold improvements	5 years	0%

Equity investments in group companies

Investments in group enterprises are recognized in the balance sheet at the proportionate share of the equity value of the enterprises, calculated according to the parent Company's accounting policies with the deduction or addition of unrealised intercompany profits or losses and with the addition or deduction of the remaining value of positive or negative goodwill, calculated according to the purchase method.

Subsidiaries having a negative equity value are recognised at kr. 0, and any amounts receivable from those enterprises are written down by the parent Company's share of the negative equity value to the extent that the amounts are deemed to be uncollectible.

If the negative equity value exceeds receivables, the remaining amount is recognised as a provision to the extent that the parent Company has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Other receivables

Other receivables are calculated to amortized value equal to the nominal value less a provision for bad debt to account for expected losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Other liabilities are measured at net realisable value.

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.