Annual report for the period
1 April 2022 to 31 March 2023

DCC Energi Center A/S
Nærum Hovedgade 8, DK-2850 Nærum
CVR no. 32 14 17 73

Adopted at the annual general meeting on 29 September 2023

DocuSigned by:
Michael Kruse Bak
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Michael Kruse Bak
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of DCC Energi Center A/S for the financial year 1 April 2022 - 31 March 2023.

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 company's financial position at 31 March 2023 and of the results of the company's operations for the financial year 1 April 2022 - 31 March 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Nærum, 29 September 2023

Executive board

DocuSigned by:
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Christian Frederik Heise
Director

Supervisory board

DocuSigned by: 158E6ABE0EAC488... Conor Joseph Murphy chairman	DocuSigned by: Soren Maretti 676C644C6BB74FA... Søren Møller Maretti	DocuSigned by: Claus Geisler Madsen C93CA700F897449... Claus Geisler Madsen
DocuSigned by: 33FBDAD2AFA7426... Christian Frederik Heise	DocuSigned by: Michael Kruse Bak F8DB31F589794A8... Michael Kruse Bak	DocuSigned by: D2C20160D100470... Daniel Hedegaard Andersen

Independent auditor's report

To the shareholder of DCC Energi Center A/S

Opinion

We have audited the financial Statements of DCC Energi Center A/S for the financial year 1 April 2022 - 31 March 2023 comprising, income statement, balance sheet, statement of change in equity, and notes including 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 company's assets, liabilities and financial position at 31 March 2023, and of the results of the company's operations for the financial year 1 April 2022 - 31 March 2023 in accordance with the Danish Financial Statements Act.

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 rules and 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 responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 company 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.

Independent auditor's report

Statement on Management's review

Management is responsible for 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 audit 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 audit, 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 material misstatement of the Management's review.

Copenhagen, 29 September 2023

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

DocuSigned by:
David Olafsson
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David Olafsson
State Authorised Public Accountant
MNE no. mne19737

Company details

The company	DCC Energi Center A/S Nærum Hovedgade 8 DK-2850 Nærum	
	Telephone:	+45 45580100
	Website:	www.dccenergi.dk
	CVR no.:	32 14 17 73
	Reporting period:	1 April 2022 - 31 March 2023
	Domicile:	Rudersdal
Supervisory board	Conor Joseph Murphy, chairman Søren Møller Maretti Claus Geisler Madsen Christian Frederik Heise Michael Kruse Bak Daniel Hedegaard Andersen	
Executive board	Christian Frederik Heise, director	
Auditors	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28 2100 København Ø	
Lawyers	Accura Advokataktieselskab Tuborg Boulevard 1 DK-2900 Hellerup	
Bankers	Danske Bank Holmens Kanal 2 DK-1090 København K	

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2022/23	2021/22	2020/21	2019/20	2018/19
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Profit/loss					
Gross profit/loss	142,372	126,547	122,799	122,568	118,550
Profit/loss before net financials	9,770	9,819	11,083	11,130	9,683
Net financials	-284	-387	-642	-362	754
Profit/loss for the year	7,186	7,173	8,055	8,507	9,839
Balance sheet					
Balance sheet total	76,302	71,907	61,451	106,139	87,858
Investment in property, plant and equipment	10,543	12,057	12,448	17,062	632
Equity	19,292	19,106	19,433	19,378	12,973
Number of employees	147	130	128	126	129
Financial ratios					
Return on assets	13.2%	14.7%	13.2%	11.5%	9.5%
Solvency ratio	25.3%	26.6%	31.6%	18.3%	14.8%
Return on equity	37.4%	37.2%	41.5%	52.6%	86.7%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.

Where the accounting policies have been changed regarding IFRS 16 in 2019/20, the comparatives have not been restated.

Business review

DCC Energi Center A/S performs sales, distribution and administration for the affiliates DCC Energi Danmark A/S, DCC Energi Mobility A/S and DCC & Shell Aviation A/S for the purpose of the companies' sale of energy products to their customer segments.

Further, the Company has entered into agreement with the affiliates Flogas Sverige AB and Flogas Norge AS on the handling of their back-office functions with services within IT operations and administration.

Recognition and measurement uncertainties

In preparing financial statements, certain provisions in the standards require management’s judgments, including various accounting estimates and assumptions. Such judgments are considered important to understand the accounting policies and DCC Energi Center’s compliance with the standards.

Determining the carrying amount of development projects requires judgments, estimates and assumptions concerning future events that are based on historical experience and other factors, which by their very nature are associated with uncertainty and unpredictability.

These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. No impairment of fixed assets has been identified in 2022/23.

The area involving a high degree of judgment and estimation that is significant to the financial statements are described in more detail in the basis of accounting in the related sections.

Unusual matters

The company's financial position at 31 March 2023 and the results of its operations for the financial year ended 31 March 2023 are not affected by any unusual matters.

Financial review

The company's income statement for the year ended 31 March 2023 shows a profit of DKK'000 7,186, and the balance sheet at 31 March 2023 shows equity of DKK'000 19,292.

In general, the activities carried out in 2022/23 in related companies were on the same level as 2021/22. The company expected a profit before tax around DKK'00 10,000 and the profit before tax in 2022/23 was DKK'000 9,486. Accordingly, results for the year are considered satisfactory.

The Company’s liquidity and financial position were strong at the end of the year.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Research and development

The Company does not engage in research and development activities.

Strategy

DCC Energi Center A/S pursues the strategy of providing services to related companies in the form of the operation of the retail-network, sales and delivery of energy solutions for aviation, industrial, transport, agricultural and business entities and consumers in Denmark. Likewise, it is part of the Company’s strategy to deliver efficient backoffice solutions to other DCC group entities in Scandinavia.

Further, it is part of the strategy to continuously ensure the necessary development in the operational and technical platforms to satisfy the Company's customers and to continuously improve operational efficiency. As well as develop and invest in employees to continue servicing the customer in their energy transition.

Objectives and outlook for the coming year

In the coming year, the activity level is expected to be at the same level, but also with continued focus on efficiency development for the services provided to group companies.

The result for 2023/24 is expected to be in the same level as 2022/23.

Market outline

As the Company only provides services to companies operating in the energy market, the market conditions for the Company are based on the general market conditions in the energy sector and the activities carried out in related companies.

Special risks - operating risks and financial risks

Operating risks

The Company has implemented a comprehensive set of policies ensuring that the Company, at any time, can be run in accordance with uniform, high standards and principles for good corporate governance. The Company has a GDPR platform ensuring that we are in compliance with the EU’s General Data Protection Regulation.

Furthermore, the Company has implemented and regularly follows up on polices ensuring business integrity, including compliance with competition law, and proper protection against the risk of bribery and corruption for customers and business partners.

To enable our customers energy transition the Company continue to focus on attracting and retaining employees with the right competencies. The Company has no primary market risks but is subject to customers' general market conditions.

Financial risks

The Company has activities only in Denmark and settles the vast part of its purchases in DKK.

The Company has only to a limited extent net interest-bearing debt, and moderate changes in the interest rate level will not have any major direct impact on earnings. Accordingly, the Company does not enter into contracts for interest rate hedging instruments.

The Company has no credit risks, as in the customers portfolio no individual customer or business partner poses any material credit risk.

Corporate social responsibility

With reference to section 99a (6) of the Danish Financial Statements Act, no full corporate socialresponsibility reporting has been prepared for the Company, including policies to climate, environment and human rights, as this is contained in the DCC Group’s corporate social responsibility reporting. Reference is made to the annual report of the DCC Group and its ultimate parent company DCC plc, which is available from the Group’s website.

https://www.dcc.ie/investors/annual-and-sustainability-reports/annual-and-sustainability-reports

The Company’s CSR polices are directed at two areas - external environment and intellectual capital, which have been accounted for in the following.

External environment

DCC Energi Center A/S is dedicated to operate safe and environmentally responsible in full compliance with requirements and standards.

Intellectual capital

Sale and delivery of energy products requires intellectual capital and skills regarding leading and management of people and business processes.

To continuously serve the market, it is decisive that the Company can recruit and retain employees with a broad skills base particularly within human and commercial processes and disciplines directed at due diligently promoting safe and reliable conduct of business.

Diversity and equality

The Company has defined policies for diversity and equality for the purpose of developing a workplace characterised by diversity and equal opportunities for all. The Company offers equal opportunities to all present and future employees, and employment, promotion and remuneration is based on skills, competencies and experience. On this basis, the Company invests in staff development and encourages an open and honest culture appreciating our differences.

The Company's policies and initiatives within the area are an integrated part of the employee handbook, and by this measure, the Company undertakes to accept and value the various kind of characteristics making individuals unique by employing people with different life experiences, personal back ground and with different skills, competences and professional experience.

The Company strives to develop a working culture which is fair and inclusive and which encourages all employees to contribute to the organisation based on their own experience and opinions.

Considering the standing ambition to have the best skilled executives, it is also the Company's objective to promote gender diversity.

Gender diversity of Management

With reference to section 99b of the Danish Financial Statements Act and as part of the Danish model to ensure a more equal distribution of men and women on top management, the Company's Board of Directors have addressed the objectives and policies for the area.

The Company is not required by the legislation regarding setting goals and policies for gender diversity of top management and other executive levels. By contrast, this is the case for several of the Company's affiliates to which the Company makes available executives. Accordingly, the Company's Board of Directors has chosen to define goals and policies, ensuring that the Company's executives can make up a representative basis to meet future ambitions with the relevant affiliates for an equal genderdistribution of the board members. Overall, the objective of the policy for the area is to promote diversity on a broad scale and at any time to recruit the best-qualified candidate irrespective of gender, age, nationality, sexual orientation and religious beliefs.

Furthermore, the objective of DCC Energi Center A/S is to be a preferred employer for both genders which amongst others is supported by an active set of policies to ensure a reasonable work-life balance. Furthermore, the Company’s owners have decided that the Board of Directors is to be made up solely by representatives from the Executive Board and executives from Finance, Sales and Operations in Denmark and country managers employed in the ultimate Irish parent company, DCC plc.

The Board of Directors consists of 6 board members and there is currently no female member on the Company's Board of Directors. There are one woman in the group making up the basis for recruiting executives for the executive management of the Company and thereby the affiliates. This is not sufficient for fulfilling the Board of Directors ambition, and therefore it is the Company's objective that within 2024/25, the Company must have 2 female members of its Board of Directors so far that this can be achieved by natural employee turnover.

This is supported with the objective that when recruiting executives and specialists that the process delivers strong candidates of both genders to qualify for the interview rounds, ensuring that the basis of recruitment for the top management of the affiliates is representative in relation to the ambitions in the affiliates for the gender distribution of the top management.

Statement of policy for data ethics

The Company collects, generates, and apply various type of data in running the business and is committed to complying with all legal rules and regulations on data usage, storage and processing as part of the business operations.

All our businesses process data as part of the daily operations, including following:

Customer data: Customer and delivery information required to complete sale, deliver and invoicing of products and services.

Supplier data: Supplier information required to complete purchases of supply and other services.

HR data: Personal data on employees to fulfill legal or personal requirements.

Other data: Financial data generated for internal measurement/controlling purposes and external regulatory reporting, contractual data from mergers and acquisitions, and contractual data from CAPEX investments.

Personal data is processed carefully, with respect, so that it is kept private and dealt with in accordance with the wishes of the person the information is about.

The Danish DCC Group is committed to protecting personal data and ensuring that appropriate organisational and technical measures are in place to protect any data collected.

Training and raising awareness on all aspects of data handling is mandatory for all employees throughout the organisation. On an ongoing basis employees participate in code of conduct and data security training programs.

Income statement 1 April - 31 March

	Note	2022/23	2021/22
		DKK'000	DKK'000
Gross profit		**142,372**	**126,547**
Staff costs	2	-122,670	-107,272
Profit/loss before amortisation/depreciation and impairment losses		**19,702**	**19,275**
Amortisation, depreciation and impairment of intangible assets and property, plant and equipment	3	-9,932	-9,456
Profit/loss before net financials		**9,770**	**9,819**
Financial income	4	23	82
Financial costs	5	-307	-469
Profit/loss before tax		**9,486**	**9,432**
Tax on profit for the year	6	-2,300	-2,259
Profit/loss for the year		**7,186**	**7,173**
Proposed dividend for the year		7,000	7,000
Transferred to reserve for development expenditure		-339	3,462
Retained earnings		525	-3,289
		7,186	**7,173**

Balance sheet 31 March

	Note	2022/23	2021/22
		DKK'000	DKK'000
Assets			
Completed development projects		8,268	3,608
Goodwill		164	246
Development projects in progress		4,123	7,730
Intangible assets	7	**12,555**	**11,584**
Other fixtures and fittings, tools and equipment		1,787	2,043
Leasehold improvements		73	245
Right-of-use assets		8,683	9,769
Tangible assets	8	**10,543**	**12,057**
Total non-current assets		**23,098**	**23,641**
Trade receivables		65	0
Receivables from affiliated entities		45,170	43,330
Other receivables		3,580	2,401
Prepayments		4,334	2,479
Receivables		**53,149**	**48,210**
Cash at bank and in hand		**55**	**56**
Total current assets		**53,204**	**48,266**
Total assets		**76,302**	**71,907**

Balance sheet 31 March

	Note	2022/23	2021/22
		DKK'000	DKK'000
Equity and liabilities			
Contributed capital		502	502
Reserve for development expenditure		9,665	10,004
Retained earnings		2,125	1,600
Proposed dividend for the year		7,000	7,000
Equity		**19,292**	**19,106**
Provision for deferred tax	9	623	232
Total provisions		**623**	**232**
Lease liabilities		3,275	4,987
Total non-current liabilities	10	**3,275**	**4,987**
Short-term part of long-term debt	10	5,474	5,037
Trade payables		13,771	9,974
Payables to affiliated entities		0	2,660
Payables to associates		0	1,635
Joint taxation contributions payable		1,820	3,148
Other payables		32,047	25,128
Total current liabilities		**53,112**	**47,582**
Total liabilities		**56,387**	**52,569**
Total equity and liabilities		**76,302**	**71,907**

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Statement of changes in equity

	Contributed capital	Reserve for development expenditure	Retained earnings	Proposed dividend for the year	Total
Equity at 1 April 2022	502	10,004	1,600	7,000	19,106
Ordinary dividend paid	0	0	0	-7,000	-7,000
Net profit/loss for the year	0	-339	525	7,000	7,186
Equity at 31 March 2023	**502**	**9,665**	**2,125**	**7,000**	**19,292**

The contributed capital consists of shares of nom. DKK 1 and multiple hereof. The capital is split into nom. 502.000 shares. The shares are not divided into share classes.

No changes have been made to the share capital for the last 5 years.

1 Accounting policies

The annual report of DCC Energi Center A/S for 2022/23 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C and with certain options applying to large enterprises of reporting class C.

The accounting policies applied are consistent with those of last year.

The annual report for 2022/23 is presented in DKK'000.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other operating income less other external expenses.

Revenue from sale of services is recognised in the income statement when the sale has taken place and delivery has been made.

1 Accounting policies

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, etc.

Staff costs

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 items is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment 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. Net financials include interest income and expenses, financial expenses relating to leases, realised and unrealised foreign currency transactions, and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit for the year

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation and impairment losses.

Goodwill is amortised over the expected economic life of the asset, measured by reference to management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10 years. The amortisation period is based on the assessment that the entities in question are strategically acquired entities with a strong market position and a long-term earnings profile.

1 Accounting policies

Development projects

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 3-5 years.

An amount corresponding to recognised development costs is tied up in a special reserve under equity called "Reserve for development costs". The amount is tied up in a special reserve which is unavailable for dividend distribution or the distribution of losses. If recognised development costs are sold or in some other way are excluded from the Company's operations, the reserve will be reduced or dissolved. This will take place in the form of direct transfer to distributable reserves under equity. If recognised development costs are written down, part of the reserve for development costs is to be reversed. The part to be reversed is equivalent to the write-down of development costs. If write-down of development costs are subsequently reversed, the reserve for development costs will subsequently be re-established. In addition, the reserve for development costs will be reduced by amortisation made. Accordingly, the reserve will not exceed the amount recognised as developments costs in the balance sheet.

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	1-10 years

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

1 Accounting policies

Leases

The Company recognise a right-of-use asset and a lease liability at the commencement date, for all lease agreements, that the Company has entered into as lessee, except short-term leases and leases of low value asset.

Upon initial recognition, the right-of-use asset is measured at cost corresponding to the lease liability recognised, adjusted for any lease prepayments or directly related costs including any dismantling and restoration costs

The lease liabilitiy is initially measured at the present value of the future payments from lease components, discounted using an appropriate incremental DCC borrowing rate. The lease liability is subsequently measured by increasing the carrying amount, to reflect interest and by reducing the carrying amount to reflect the lease payments made. Further lease liabilities are changed when reameasurements are needed, corresponding adjustment is the related right-of-use asset.
In determining the lease period extension, options are only included if it is reasonably certain they will be utilised.

Gain or loss from a lease modification, not accounted for as a separate lease, is recognised in profit and loss.

The right-of-use assets are amortised over its expected leaseperiod, according to the straight-line method.

-Property 3 years
-Fixtures and fittings, tools and equipment 1-5 years

Right-of-use assets and lease liabilities are not recognised for low value lease assets or leases with a lease term of 12 months or less. These are recognised as an expense on a straight-line basis over the term of the lease.

In accounting for lease contracts, various judgements are applied in determining right-of-use assets and lease liabilities. Judgements include assessment of lease periods, utilisation of extension options and applicable discount rates. In addition, significant estimates have been applied in determining these in relation to the implementation of IFRS 16.

Impairment of assets

The carrying amount of intangible assets and property, plant and equipment is tested for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

1 Accounting policies

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

1 Accounting policies

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under ‘Equity’.

Cash flow statement

No cash flow statement has been prepared for the parent company, as the parent company's cash flows are included in the consolidated cash flow statement, see section 86(4) of the Danish Financial Statements Act.

Financial Highlights

Definitions of financial ratios.

Return on assets	Profit/loss before financials x 100 / Average assets
Solvency ratio	Equity at year end x 100 / Total assets at year-end
Return on equity	Net profit for the year x 100 / Average equity

		2022/23	2021/22
		DKK'000	DKK'000
2	**Staff costs**		
	Wages and salaries	110,843	97,279
	Pensions	9,827	8,597
	Other social security costs	2,000	1,396
		122,670	**107,272**
	Average number of employees	147	130

According to section 98 B(3) of the Danish Financial Statements Act, renumeration to the executive board has not been disclosed.

		2022/23	2021/22
3	**Amortisation, depreciation and impairment of intangible assets and property, plant and equipment**		
	Amortisation intangible assets	2,929	3,165
	Depreciation tangible assets	7,003	6,291
		9,932	**9,456**
4	**Financial income**		
	Interest received from affiliated entities	23	0
	Other financial income	0	82
		23	**82**
5	**Financial costs**		
	Financial expenses, group entities	125	295
	Other financial costs	59	30
	Interest expenses on lease liabilities	123	144
		307	**469**

Notes

		2022/23	2021/22
		DKK'000	DKK'000
6	**Tax on profit for the year**		
	Current tax for the year	1,820	3,148
	Deferred tax for the year	437	-885
	Adjustment of tax concerning previous years	89	100
	Adjustment of deferred tax concerning previous years	-46	-104
		2,300	**2,259**

7 Intangible assets

	Completed development projects	Goodwill	Development projects in progress
Cost at 1 April 2022	38,057	814	7,730
Additions for the year	0	0	3,901
Transfers for the year	7,508	0	-7,508
Cost at 31 March 2023	45,565	814	4,123
Impairment losses and amortisation at 1 April 2022	34,449	569	0
Amortisation for the year	2,848	81	0
Impairment losses and amortisation at 31 March 2023	37,297	650	0
Carrying amount at 31 March 2023	**8,268**	**164**	**4,123**
Amortised over	3-5 years	10 years	

7 Intangible assets (continued)

Special assumptions regarding development projects and tax assets

Completed development projects comprise development and test of IT software to be used at DCC Energi Danmark A/S, DCC Energi Mobility A/S, Flogas Norway AS and Flogas Sweden AB. The IT software has been completed and is in use. Management did not find indication of impairment.

Development projects in progress comprise development and test of IT systems. Costs consist of internal costs in the form of direct costs, external consultants and purchased material registered through the Company's internal project module. Development projects in progress are expected to be available for use during the financial year 2024/25. Management did not find indication of impairment.

8 Tangible assets

	Other fixtures and fittings, tools and equipment	Leasehold improvements	Right-of-use assets
Cost at 1 April 2022	6,823	1,756	24,087
Additions for the year	820	0	1,701
Cost at 31 March 2023	7,643	1,756	25,788
Impairment losses and depreciation at 1 April 2022	4,779	1,509	14,316
Depreciation for the year	1,077	174	2,789
Impairment losses and depreciation at 31 March 2023	5,856	1,683	17,105
Carrying amount at 31 March 2023	**1,787**	**73**	**8,683**
Depreciated over	3-5 years	1-10 years	1-5 years

Notes

		2022/23	2021/22
		DKK'000	DKK'000
9	**Provision for deferred tax**		
	Provision for deferred tax at 1 April 2022	232	1,221
	Deferred tax recognised in income statement	391	-989
	Provision for deferred tax at 31 March 2023	**623**	**232**

10 Long term debt

	Long term debt at 1 April 2022	Long term debt at 31 March 2023	Instalment next year	Debt outstanding after 5 years
Lease liabilities	4,987	3,275	5,474	0
	4,987	**3,275**	**5,474**	**0**

11 Significant events after the balance sheet date

No events have occurred after the balance sheet date that may materially affect the Company's financial position.

12 Contingent liabilities

The Company is jointly taxed with other Danish entities in the DCC Group and is liable with the other jointly taxed companies for the total corporation tax and any liabilities to pay witholding taxes on interest, royalties and for dividends for the jointly taxed companies.

13 Related parties and ownership structure

Controlling interest

DCC Holding Denmark A/S
Nærum Hovedgade 8, 2850 Nærum

Other related parties

DCC Holding A/S
Nærum Hovedgade 8, 2850 Nærum

DCC Energi Danmark A/S
Nærum Hovedgade 8, 2850 Nærum

DCC Energi Mobility A/S
Nærum Hovedgade 8, 2850 Nærum

DCC & Shell Aviation Denmark A/S
Nærum Hovedgade 8, 2850 Nærum

DCC Biogas Holding A/S
Nærum Hovedgade 8, 2850 Nærum

DCC Energiservice A/S
Nærum Hovedgade 8, 2850 Nærum

Flogas Norge AS
Sandakerveien 116, bygg D, 0484 Oslo, Norway

Flogas Sverige AB
Brännkyrkag. 63, 118 22 Stockholm, Sweden

Exertis Captech Denmark ApS
Nærum Hovedgade 8, 2850 Nærum

DLG Service A/S
Ballesvej 2, 7000 Fredericia

team energie GmbH & Co. KG
Team Alle 22, 24392 Süderbrarup, Germany

DCC plc and subsidiaries and associated thereto
Brewery Road, Dublin, Irland

Members of the Board of Directors and the Executive Board are mentioned under company details.

13 Related parties and ownership structure (continued)

Transactions

Transactions entered into related parties:
Income from sale to related parties amounts to DKK'000 215,972.
Other external expenses purchased from related parties amounts to DKK'000 20,619.
Financial income from related parties amounts to DKK'000 23.
Financial expenses to related parties amounts to DKK'000 125.

Ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

DCC Holding Denmark A/S
Nærum Hovedgade 8, 2850 Nærum

Consolidated financial statements

The Company's Danish parent companies DCC Holding Denmark A/S and DCC Holding A/S do not prepare consolidated financial statements. The Company is included in the consolidated financial statements of:

DCC plc
DCC House
Leopardstown Road
Foxrock
Dublin 18, Ireland

DCC plc is both largest and smallest group for which consolidated financial statements are prepared. The consolidated financial statements can be obtained at DCC plc's website:

https://www.dcc.ie/investors/annual-and-sustainability-reports/annual-and-sustainability-reports