

PowerMart ApS

**Åboulevarden 17 A, 3.
8000 Aarhus C**

CVR-nr. 36 20 17 70

Annual report for 2021/22

The Annual Report was presented and
approved at the Annual General Meeting
of the Copmany on 21/12 2022

Anders Borchsenius Rasmussen
Chairman



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Company details

The company

PowerMart ApS
Åboulevarden 17 A, 3.
8000 Aarhus C

CVR no.: 36 20 17 70
Reporting period: 1 July 2021 - 30 June 2022
Domicile: Aarhus

Executive board

Anders Borchsenius Rasmussen
Emil Bjørn Meincke
Dragan Rajcetic

Auditors

Roesgaard
Godkendt Revisionspartnerselskab
Sønderbrogade 16
8700 Horsens

Statement by management on the annual report

The executive board has today discussed and approved the annual report of PowerMart ApS for the financial year 1 July 2021 - 30 June 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 company's financial position at 30 June 2022 and of the results of the company's operations and cash flows for the financial year 1 July 2021 - 30 June 2022.

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.

Aarhus, 21 December 2022

Executive board

Anders Borchsenius Rasmussen

Emil Bjørn Meincke

Dragan Rajcetic

Independent auditor's report

To the shareholders of PowerMart ApS

Opinion

We have audited the financial statements of PowerMart ApS for the financial year 1 July 2021 - 30 June 2022, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 30 June 2022 and of the results of the company's operations and cash flows for the financial year 1 July 2021 - 30 June 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the 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.

Independent auditor's report

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.

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.

Independent auditor's report

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, we conclude that 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 management's review.

Horsens, 21 December 2022

Roesgaard

Godkendt Revisionspartnerselskab
CVR no. 37 54 31 28

Søren Roesgaard
statsautoriseret revisor
MNE no. mne33225

Financial highlights

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

	2021/22	2020/21	2019/20	2018/19	2017/18
	t.EUR	t.EUR	t.EUR	t.EUR	t.EUR
Key figures					
Profit					
Gross profit	93.978	10.900	6.503	4.445	3.119
Net financials	(843)	(202)	(96)	(80)	(64)
Profit/loss for the year	61.468	5.875	3.400	2.656	1.782
Balance sheet					
Balance sheet total	106.366	19.135	11.395	7.484	5.539
Investment in property, plant and equipment	0	(9)	(9)	(17)	(33)
Equity	64.980	13.992	8.753	5.981	3.728
Financial ratios					
Return on assets	125,5 %	51,2 %	46,6 %	46,5 %	51,1 %
Solvency ratio	61,1 %	73,1 %	76,8 %	79,9 %	67,3 %
Return on equity	155,7 %	51,7 %	46,2 %	54,7 %	56,4 %

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..

Management's review

Business review

The Company is engaged in trading of energy on the European markets as well as related activities as estimated by Management.

Financial review

In 2021 the company expanded its activities with gas trading. The expanded activities together with very volatile energy markets, have had a positive effect on the company's net sales and earnings.

The company's income statement for the year ended 30 June 2022 shows a profit of t.EUR 61.468, and the balance sheet at 30 June 2022 shows equity of t.EUR 64.980.

Profit of the year is considered satisfactory.

The result for 2021/22 exceeds the expected development for the financial year, which primarily can be attributed to a significantly higher level of activity as well as prices than expected.

Expected development of the company, including specific prerequisites and uncertainties

We plan to expand further in new markets. We expect a profit before tax on the same level as in 2021/22.

Special risks

Powermart ApS is affected by multiple risks in connection with day-to-day energy trading activities.

Due to significant price fluctuations in the volatile energy market, price risks pose a particular risk to the company.

The special risks are handled i.a. by means of policies approved by management and ongoing follow-up regarding conclusions of trading positions, choice of products and markets. Ongoing reassessment of the impending and future cash need, including hedge of cash resources.

Knowledge resources

Development and updating of analysis and forecast tools is an important parameter for the company's development. It is therefore essential that we have access to competent employees and knowledge.

To ensure this development, we have increased focus on recruiting employees, hand over our know-how in the organization and strengthening our competence, particularly in energy trading, software and systems and business development.

Accounting policies

The annual report of PowerMart ApS for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting Class C.

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

The annual report for 2021/22 is presented in t.EUR.

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, direct expenses and other external expenses.

Revenue

Income from the sale of energy is recognised in the income statement when the income can be measured reliably and is expected to be received.

Direct expenses

Direct expenses include purchase of energy and expenses used in generating the year's revenue.

Accounting policies

Other external expenses

Other external expenses include expenses related to administration, premises etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, ect. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of 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 and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit

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

Tangible assets

Leasehold improvements 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	Residual value
Leasehold improvements	5 years	0 %

The useful life and residual value of the company's property, plant and equipment is reassessed annually.

Other securities and investments, fixed assets

Other securities are measured at amortised cost.

Accounting policies

Inventories

The cost of goods for resale are measured at cost using the FIFO method. Inventories comprise a gas inventory.

If the net realizable value is lower, the Inventories are measured at net realizable value. The net realizable 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.

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.

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.

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.

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 are measured at amortised cost, which is usually equivalent to nominal value.

Accounting policies

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'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Positive and negative fair values of derivative financial instruments are included in 'Other receivables' or 'Other payables', respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of recognised assets or liabilities are recognised in the income statement together with fair value adjustments of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future cash flows are recognised in other receivables or other payables and in the fair value reserve under 'Equity'. If the future transaction results in recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or the liability, respectively. If the future transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

Financial Highlights

Definitions of financial ratios.

Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

Income statement 1 July 2021 - 30 June 2022

	<u>Note</u>	<u>2021/22</u> t.EUR	<u>2020/21</u> t.EUR
Gross profit		93.978	10.900
Staff costs	1	<u>(14.769)</u>	<u>(3.061)</u>
Profit before amortisation/depreciation and impairment losses		79.209	7.839
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		(14)	(17)
Other operating costs		<u>(415)</u>	<u>0</u>
Profit before net financials		78.780	7.822
Financial income	2	672	23
Financial costs	3	<u>(1.515)</u>	<u>(225)</u>
Profit before tax		77.937	7.620
Tax on profit	4	<u>(16.469)</u>	<u>(1.745)</u>
Profit for the year		61.468	5.875
Distribution of profit	5		

Balance sheet at 30 June 2022

	<u>Note</u>	<u>2022</u> t.EUR	<u>2021</u> t.EUR
Assets			
Other fixtures and fittings, tools and equipment		2	12
Leasehold improvements		0	5
Tangible assets	6	<u>2</u>	<u>17</u>
Deposits	7	24	23
Fixed asset investments		<u>24</u>	<u>23</u>
Total non-current assets		<u>26</u>	<u>40</u>
Finished goods and goods for resale		319	0
Stocks		<u>319</u>	<u>0</u>
Trade receivables		20.047	3.080
Receivables from participating interests		8	1
Other receivables		12	324
Deferred tax asset	8	2	2
Prepayments	9	3	1
Receivables		<u>20.072</u>	<u>3.408</u>
Cash at bank and in hand		<u>85.949</u>	<u>15.687</u>
Total current assets		<u>106.340</u>	<u>19.095</u>
Total assets		<u>106.366</u>	<u>19.135</u>

Balance sheet at 30 June 2022

	<u>Note</u>	<u>2022</u> t.EUR	<u>2021</u> t.EUR
Equity and liabilities			
Share capital		67	67
Retained earnings		64.913	11.845
Proposed dividend for the year		0	2.080
Equity	10	64.980	13.992
Trade payables	11	13.223	2.300
Payables to participating interests		5.243	682
Payables to shareholders and management		7	7
Corporation tax		14.835	1.286
Other payables		8.078	868
Total current liabilities		41.386	5.143
Total liabilities		41.386	5.143
Total equity and liabilities		106.366	19.135
Contingent liabilities	12		
Mortgages and collateral	13		
Financial instruments	14		

Equity

	Share capital	Retained earnings	Proposed dividend for the year	Proposed extraordinary dividend	Total
Equity at 1 July 2021	67	11.844	2.080	0	13.991
Ordinary dividend paid	0	0	(2.080)	0	(2.080)
Extraordinary dividend paid	0	0	0	(8.399)	(8.399)
Net profit for the year	0	53.069	0	8.399	61.468
Equity at 30 June 2022	67	64.913	0	0	64.980

Cash flow statement

1 July 2021 - 30 June 2022

	Note	2021/22	2020/21
		t.EUR	t.EUR
Net profit for the year		61.468	5.875
Adjustments	15	17.326	1.962
Change in working capital	16	1.158	1.621
Cash flows from operating activities before financial income and expenses		79.952	9.458
Interest income and similar income		672	24
Interest expenses and similar charges		(1.517)	(221)
Cash flows from ordinary activities		79.107	9.261
Corporation tax paid		1.634	(1.084)
Cash flows from operating activities		80.741	8.177
Purchase of property, plant and equipment		0	(9)
Cash flows from investing activities		0	(9)
Dividend paid		(10.479)	(636)
Cash flows from financing activities		(10.479)	(636)
Change in cash and cash equivalents		70.262	7.532
Cash and cash equivalents		15.687	8.155
Cash and cash equivalents		85.949	15.687
Analysis of cash and cash equivalents:			
Cash at bank and in hand		85.949	15.687
Cash and cash equivalents		85.949	15.687

Notes to the financial statements

	2021/22	2020/21
	t.EUR	t.EUR
1 Staff costs		
Wages and salaries	14.692	3.004
Other social security costs	18	14
Other staff costs	59	43
	14.769	3.061
 Including remuneration to the executive board:		
Executive Board	1.591	732
	1.591	732
 Average number of employees	21	16
 2 Financial income		
Other financial income	1	0
Exchange gains	671	23
	672	23

Notes to the financial statements

	2021/22	2020/21
	t.EUR	t.EUR
3 Financial costs		
Financial expenses, associates	189	35
Other financial costs	384	107
Exchange adjustments costs	942	83
	1.515	225
4 Tax on profit for the year		
Current tax for the year	16.469	1.746
Deferred tax for the year	0	(1)
	16.469	1.745
5 Distribution of profit		
Proposed dividend for the year	0	2.080
Extraordinary dividend for the year	8.399	0
Retained earnings	53.069	3.795
	61.468	5.875

Notes to the financial statements

6 Tangible assets

	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 July 2021	48	10
Cost at 30 June 2022	48	10
Impairment losses and depreciation at 1 July 2021	37	5
Depreciation for the year	9	5
Impairment losses and depreciation at 30 June 2022	46	10
Carrying amount at 30 June 2022	2	0

7 Fixed asset investments

	Deposits
Cost at 1 July 2021	23
Additions for the year	1
Cost at 30 June 2022	24
Carrying amount at 30 June 2022	24

8 Provision for deferred tax

	2022 t.EUR	2021 t.EUR
Provision for deferred tax at 1 July 2021	2	3
Deferred tax recognised in income statement	0	(1)
Provision for deferred tax at 30 June 2022	2	2

Notes to the financial statements

9 Prepayments

Prepayments comprise prepaid expenses regarding rent and deposits.

10 Equity

The share capital consists of 500.000 shares of a nominal value of t.EUR 0,134. No shares carry any special rights.

	2021/22	2020/21
	t.EUR	t.EUR
11 Fair value disclosure		
Futures		
Fair value adjustments recognised in the income statement	(9)	0
Fair value of an asset or a liability that is measured at fair value, closing	(9)	0

12 Contingent liabilities

The Company has entered into lease contracts for administration premises. The total rent amounts to t.EUR 117.

13 Mortgages and collateral

As security for trade with customers and suppliers, the bank has issued a bank guarantee. A bank account of t.EUR 18.442 and t.GBP 250 has been provided as collateral for the bank guarantee.

14 Financial instruments

Agreements about derivative financial instruments in the form of electricity futures and nature gas forwards.

Notes to the financial statements

	2021/22	2020/21
	t.EUR	t.EUR
15 Cash flow statement - adjustments		
Financial income	(672)	(23)
Financial costs	1.515	225
Depreciation, amortisation and impairment losses	14	17
Tax on profit	16.469	1.743
	17.326	1.962
16 Cash flow statement - change in working capital		
Change in inventories	(319)	0
Change in receivables	(16.662)	(475)
Change in trade payables, etc.	18.139	2.096
	1.158	1.621