Makeen Energy A/S

Alsvej 21
DK-8940 Randers SV

CVR no 36 71 84 63

Annual Report for 2020

The Annual Report has been presented and adopted at the Annual General Meeting of the Company on 8 April 2021

Chairman Anders C. Anderson

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Management's Statement on the Annual Report

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Makeen Energy A/S for the financial year 1 January 2020 – 31 December 2020.

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

In our opinion, the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and the Group and of the results of the Company and Group operations and consolidated cash flows for 2020.

In our opinion, 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.

Randers SV, 8 April 2021

Executive Board

Anders C. Anderson
CEO

Supervisory Board

Abdulkareem Hamad Al-Ayuni Chairman	Sulaiman Abdulrahman Alkharraz	Abdulaziz Sulaiman M Alhedithy

Independent Auditors' report

To the Shareholder of Makeen Energy A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2020, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Makeen Energy A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("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 Group 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. 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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement 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 Consolidated Financial Statements and Parent Company 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.

Independent Auditors' report

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent 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 Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.

Independent Auditors' report

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Aarhus C, 8 April 2021

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no 33 77 12 31

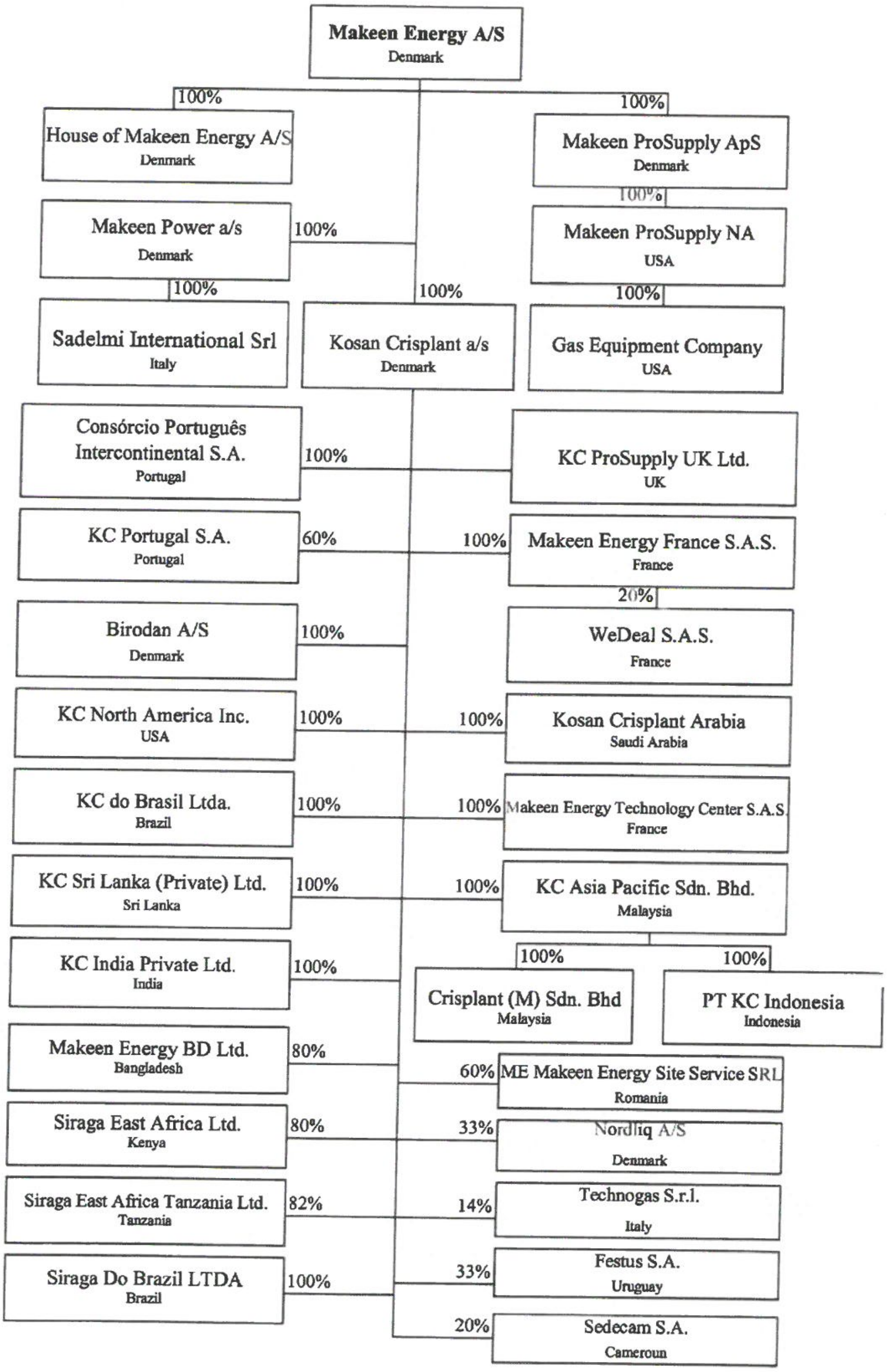
Claus Lindholm Jacobsen
State Authorised Public Accountant
mne23328

Thyge Belter
State Authorised Public Accountant
mne30222

Company information

The Company	Makeen Energy A/S Alsvej 21 DK-8940 Randers SV CVR no 36 71 84 63 Financial period: 1 January - 31 December Financial year: 6 Municipality of reg. office: Randers
Supervisory Board	Abdulkareem Hamad A Alayuni (chairman) Abdulaziz Sulaiman M Alhedithy Sulaiman Abdulrahman Alkharraz
Executive Board	Anders C. Anderson
Auditors	PricewaterhouseCoopers Nobelparken Jens Chr. Skous Vej 1 DK-8000 Aarhus C

Group Overview



Financial Highlights

	Group				
	2020	2019	2018	2017	2016
	DKK mio.	DKK mio.	DKK mio.	DKK mio.	DKK mio.
Key figures					
Profit/loss					
Revenue	1.262,4	881,9	963,3	1.011,1	732,9
Gross profit/loss	286,5	243,2	230,7	235,4	198,9
EBITDA	92,3	84,2	69,7	83,7	64,5
EBITA	78,5	68,4	54,1	63,0	47,8
Profit/loss before financial income and expenses	49,1	48,5	34,5	41,7	24,0
Net financials	-26,6	-12,9	-14,8	-18,8	-13,1
Net profit/loss for the year after minority interests	4,9	18,1	0,2	6,7	-0,2
Balance sheet					
Balance sheet total	1.152,6	928,8	900,4	898,7	880,2
Investment in property, plant and equipment	21,4	25,7	76,7	19,8	23,7
Equity allocated to shareholders of the parent company	202,6	208,4	184,7	182,1	159,1
Number of employees in Denmark	107	109	110	99	91
Number of employees outside Denmark	1.260	943	864	839	738
Ratios					
Gross margin	22,7%	27,6%	24,0%	23,3%	27,1%
EBITDA margin	7,3%	9,5%	7,2%	8,3%	8,8%
EBITA margin	6,2%	7,8%	5,6%	6,2%	6,5%
Profit margin	3,9%	5,5%	3,6%	4,1%	3,3%
Return on assets	4,3%	5,2%	3,8%	4,6%	2,7%
Solvency ratio	17,6%	22,4%	20,5%	20,3%	18,1%
Return on equity	2,4%	9,2%	0,1%	3,9%	-0,2%

The ratios have been prepared in accordance with the definitions stated in the section accounting policies.

Management's Review

Main activities

Makeen Energy A/S is through the ownership of Kosan Crisplant A/S and Makeen Prosupply the world's leading global supplier of systems, products, services and components for filling and maintenance of LPG cylinders. Moreover, other requirements within the LPG- and LNG business and technical gasses are covered where there is a related business or strategic gain. Design & integration of plants for power-generation & plast to oil conversion is also a part of the portfolio through the ownership of Makeen Power A/S.

Development during the Year

The result for the year is a profit of DKK 6.4 million versus a profit of DKK 19.8 million in 2019. The result is negatively affected by lower contribution margin in the LPG segment compared to 2019 which is partly offset by the increased activity from the aquisition of Gas Equipment Company, Inc. (GEC) . The result is lower than expected at the beginning of the year.

The financial year of 2020 has been affected by the Covid19 situation - especially in the LPG market where new sales has been negatively effected. This has been partly compensated by increasing service business. The current order pipeline indicates that LPG order intake will remain at a lower level throughout the first part of 2021. The expectation is that in the second part of 2021 an increase in order intake in new sales of LPG systemes will materialize. The new business segments, Prosupply and Power & Environmental Technnologies is expexted to perform better than planned for 2021.

The sale of the Group's other products continued to develop positively throughout 2020 showing an even better potential for the years to come. The result is achieved based on continuous focus on acquisition of relevant activities, development of strategic business segments, cost price reductions, improvement of product mix, introduction of new products and a generally improved productivity.

During the financial year the Group has continued its investments in new business segments, in particular in ProSupply (component trading), Plast to Oil Conversion, LNG liquifaction and Power-generation facilities. A number of the subsidiaries established during recent years have contributed significantly to the turnover and the result for the year. This infrastructure, combined with new products and concepts, ensures the Group a strong position to continuously benefit from the improvement of the market situation, which is expected to continue in the coming year.

Special Risks

Macro-economic and Political Conditions

The Group sells products and services world-wide. The geographical distribution ensures a considerable diversification of risks, but also implies that the Group's sales often are influenced positively or negatively by macro-economical or political conditions on specific markets.

Credit and Liquidity Risks

The Group's activities on a large number of markets involve a certain exposure to deferred payments and non-payments from customers. Such risks are met by strict management of payment conditions and use of normal payment instruments.

Management's Review

Foreign Exchange Risks
As the major part of the Group's revenue is generated abroad, results and equity are affected by the development in exchange rates in respect of a number of currencies. However, the risk is limited by a material part of revenue being settled in Euro. It is Group policy to hedge against commercial foreign exchange exposure through forward exchange contracts. The Company does not enter into foreign exchange positions for speculative purposes.

Statutory statement on CSR according to section 99a of the Danish Financial Act

The Group runs its business in an economically and socially responsible way to the benefit of all its stakeholders, i.e. shareholders, employees, customers, suppliers and other stakeholders. The business model is a combination of unique equipment, own manufactured parts and extensive services as well as third party components using the core competences of all employees for the benifit of our customers.

The Group has joined the UN Global Compact. The 2020 report describes the Groups policies for environmental impact, labour- and human rights and anti corruption as well as actions taken during the last year and goals for the coming year. Please refer to the statutory statement on CSR for additional information about the Group's social resposability.

The statutory statement on CSR according to section 99a of the Danish Financial Act is available at:
http://www.makeenenergy.com/home/about/statutory-statement-99a/

Composition of genders in management

The Company's highest level of management, the Board of Directors, is currently consisting solely of males. Members of the Board of Directors elected on the General Meeting are elected according to qualifcations. The target of the Board of Directors is that females shall be represented by minimum 20% of the members elected by on the General Meeting. It is the Company's policy that new members are elected based on qualifications and not gender or similar. The target shall be achieved in 2024.

The composition of genders in the Board of Directors is unchanged in 2020 as the number of changes has not provided the basis for an improvement.

As the management levels below the Board of Directors consist solely of the Chief Executive Officer, no target has been defined for the gender composition in other management levels.

Management's Review

Subsidiaries and Local Offices

A material element in the Group strategy and growth plans is to establish and develop, or acquire local sales and service enterprises.

The Group's existing subsidiaries continue to develop positively: the sale and service subsidiaries are developing very positively, particularly in after-sales, service and facility management.

With effect 31 March 2020 the Group has acquired Texas based Gas Equipment Company, Inc. (GEC). GEC thus becomes the latest branch of Makeen Energy's trading division, Makeen ProSupply, which supplies gas components and other commodities as well as service and consultancy for the gas industry worldwide.

Expectations for the Year Ahead

The Group's primary line of business is within LPG, LNG and Power & Environmental Technologies, which are important energy resources in most countries of the world. In some markets the Group has received special permit to continue operation in spite of countrywide lock-down resulting in increased activity level. In other markets the Group has recorded a decrease in activities. Management expect existing liquidity and credit lines continues to be sufficient.

For the financial year 2021 the Group expects to improve the operating profit.

Development

This financial year, the Group has incurred expenses for development totalling DKK 12.1 million. DKK 2.1 million out of this amount have been charged as production costs as the Group assesses that these costs do not meet the criteria for recognition in the balance sheet. The remaining amount of DKK 10.0 million have been capitalised as development projects.

Development projects for the LPG division mainly consists of components, systems and software within the area of LPG filling plants. In the Power division the Group has developed a plastic-to-oil conversion system, under the brand name PlastCon. The first PlastCon system is sold in March 2021.

The new developments within the LPG and Power divisions is expected to lead to a competitive advantage and thus directly influence the activity and future financial performance of the Group.

Intellectual Capital Resources

The Group gives priority to continuing training of employees in Kosan Crisplant and the subsidiaries abroad. Training in sales management, project management, project training and general leadership has been carried through during the year. Similar training will continue in the coming year.

Ownership

The Company's share capital of DKK 75,000k at 31 December 2020 is wholly owned by Makeen International, S.a.r.l, 6 Rue Eugéne Ruppert, L-2453, Luxembourg.

Accounting Policies

Basis of Preparation

The Annual Report of Makeen Energy A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C and current Danish Accounting Standards.

The financial statements are presented in TDKK.

The accounting policies are unchanged compared to previous years

Recognition and measurement

The financial statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised costs 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Makeen Energy A/S, and enterprises in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control.

Accounting Policies

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business acqusitions

On acquisition of subsidiaries, the difference between cost of acquisition and net asset value of the enterprise acquired is determined at the date of acquisition after the individual assets and liabilities having been adjusted to fair value (the purchase method). In this connection any restructuring provisions decided concerning the acquired enterprise are deducted. Any remaining positive differences are recognised in "Investments in subsidiaries" and are amortised on a straight-line basis over the estimated useful life, but not exceeding 20 years.

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition.

The time of acquisition is the time when the Group obtains control og the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquistion of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to change to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Business acqusitions carried through on or before 1 July 2018

Business acqusitions carried through before 1 July 2018 follow the above accounting policies for business combinations with a few exemptions. The most material exemptions are:

- Where the purchase price allocation in not final, positive and negative differences due to changes to the recognition and measurement of the acquired net assets may be adjusted until the end of the financial year following the year of acquistion. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

- Transaction costs directly attributable to the acquistion of subsidiaries are included as part of cost.

Accounting Policies

Minority interests

On statement of Group results and Group equity, the shares of results and equity of subsidiaries attributable to minority interests are recognised as separate items in the income statement and the balance sheet. Minority interests are recognised on the basis of a re-measurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries. At subsequent changes in minority interests the changed share of results is recognised from the time of the change.

Leases

All of the Group's leases are classified as either operating or finance leases. Payments concerning operating leases are recognised in the income statement on a straight-line basis over the leasing period. The payments concerning finance leases are divided between financial expenses and repayments on the leasing debt to obtain a constant interest rate for the remaining leasing debt.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statements of foreign subsidiaries are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Accounting Policies

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Income Statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined; and payment has been received or may with reasonable certainty be expected to be received.

Contract work in progress is recognised at the rate of completion of the projects, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the project and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. Contract work in progress includes agreements of delivery of projects with a high level of individual customization.

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises purchases for projects, raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Cost of sales also includes development costs that do not qualify for capitalisation.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising, marketing and exhibition expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Accounting Policies

Other operating income and expenses

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

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year after tax.

Income from investments in associates

The item "Income from investments in associates" in the income statement includes the proportionate share of the profit for the year after tax.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments, price adjustment of securities as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and 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 assesses for Danish tax purposes jointly with the Danish consolidated company. Foreign subsidiaries are not part of the joint taxation.

The effect of the joint taxation is divided among the involved companies according to the taxable profit or loss of each company. The companies that are part of the joint taxation are entered into the tax prepayment scheme.

Balance Sheet

Intangible assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience with the individual business areas. The maximum amortisation period is 20 years, the longest period applying to enterprises acquired for strategic purposes with a strong market position and a long earnings profile.

Accounting Policies

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount equal to the recognised development projects are reserved in "Reserve according to development costs" under equity. The reserve comprises development costs recognised on 1 January 2016 or later. The reserve is reduced by amortisation and impairment losses on development projects.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work, but not exceeding 5 years.

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. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

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:

Land and buildings	20-40 years
Plant and machinery	2-10 years
Other fixtures and fittings, tools and equipment	2-10 years
Leasehold improvements	5-12 years

Assets costing less than DKK 20,000 are expensed in the year of acquisition.

Accounting Policies

Impairment of fixed assets

The carrying amounts of property, plant and equipment 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, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the Group of assets to which they are attributable.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The items "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill).

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries.

Deposits

Deposits compromise prepaid deposits concerning rental agreements.

Inventories

Inventories are measured at the lower of cost under the weighted average method and net realisable value. The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined with consideration for the marketability, obsolescence and development in expected sales sum.

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

The cost of finished goods, semi-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.

Accounting Policies

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Contract work in progress includes agreements of delivery of projects with a high level of individual customization. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Prepayments and payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

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

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

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.

Provisions are made for warranty obligations in respect of repair work within the warranty period of 1 year. Provisions are measured and recognised based on experience with guarantee work.

Accounting Policies

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured 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.

Deferred tax assets and liabilities are offset within the same legal tax jurisdiction.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial debts

Fixed-interest loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

Deferred income

Deferred income comprises amount received for goods or services which have not yet been delivered.

Cash Flow Statement

The cash flow statement shows the Group's cash flow for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

No cash flow statement has been prepared for the Parent Company as the Parent Company cash flows are included in the Consolidated Cash Flow Statement.

Accounting Policies

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand" and "Credit institutions".
The cash flow statement cannot be immediately derived from the published financial records.

Explanation of financial ratios

Gross margin	$\frac{\textit{Gross profit x 100}}{\textit{Revenue}}$
EBITDA margin	$\frac{\textit{EBITDA x 100}}{\textit{Revenue}}$
EBITA margin	$\frac{\textit{EBITA x 100}}{\textit{Revenue}}$
Profit margin	$\frac{\textit{Profit before financials x 100}}{\textit{Revenue}}$
Return on assets	$\frac{\textit{Profit before financials x 100}}{\textit{Total assets}}$
Solvency ratio	$\frac{\textit{Equity at year end x 100}}{\textit{Total assets}}$
Return on equity	$\frac{\textit{Net profit for the year x 100}}{\textit{Average equity}}$

Income Statement 1 January 2020 - 31 December 2020

	Note	Group 2020	Group 2019	Parent Company 2020	Parent Company 2019
		DKK '000	DKK '000	DKK '000	DKK '000
Revenue	1	**1.262.360**	**881.935**	**4.245**	**3.117**
Cost of sales	3	-975.865	-638.760	0	0
Gross profit/loss		**286.495**	**243.175**	**4.245**	**3.117**
Distribution expenses	3	-131.525	-103.593	0	0
Administrative expenses	2, 3	-83.825	-74.411	-6.126	-4.507
Operating profit/loss		**71.145**	**65.171**	**-1.881**	**-1.390**
Other operating income		7.316	3.266	0	0
EBITA		**78.461**	**68.437**	**-1.881**	**-1.390**
Goodwill amortisation		-29.405	-19.978	0	0
Profit/loss before financial income and expenses		**49.056**	**48.459**	**-1.881**	**-1.390**
Income from investments in subsidiaries after tax	4	0	0	14.280	27.878
Income from investments in associates after tax		775	-892	0	0
Financial income	5	2.393	4.291	11.920	601
Financial expenses	6	-29.779	-16.258	-19.840	-9.375
Profit/loss before tax		**22.445**	**35.600**	**4.479**	**17.714**
Tax on profit/loss for the year	7	-15.996	-15.787	413	415
Net profit/loss for the year		**6.449**	**19.813**	**4.892**	**18.129**
Distribution of profit	8				

Balance Sheet 31 December 2020

Assets	Note	Group 2020 DKK '000	Group 2019 DKK '000	Parent Company 2020 DKK '000	Parent Company 2019 DKK '000
Goodwill		307.809	282.865	0	0
Brand		37.937	0	0	0
Customer relations		18.776	0	0	0
Completed development projects		14.422	2.200	0	0
Development projects in progress		7.001	11.033	0	0
Intangible assets	9	**385.945**	**296.098**	**0**	**0**
Land and buildings		78.135	71.926	0	0
Plant and machinery		23.527	20.881	0	0
Other fixtures and fittings, tools and		16.002	17.464	0	0
Leasehold improvements		5.283	5.618	0	0
Property, plant and equipment	10	**122.947**	**115.889**	**0**	**0**
Investments in subsidiaries		0	0	482.349	485.703
Investments in associates		3.729	2.297	0	0
Deposits		1.525	1.053	0	0
Loans to group enterprises		0	0	66.634	0
Fixed asset investments	11	**5.254**	**3.350**	**548.983**	**485.703**
Fixed assets		**514.146**	**415.337**	**548.983**	**485.703**
Inventories	12	**172.574**	**122.729**	**0**	**0**
Trade receivables		186.106	183.990	0	0
Contract work in progress	13	91.230	92.202	0	0
Receivables from group enterprises		340	239	801	4.724
Other receivables		19.268	24.706	28	0
Corporation tax		0	0	24	4.919
Deferred tax asset	14	6.634	3.885	2.156	0
Prepayments	15	22.673	5.917	0	0
Receivables		**326.251**	**310.939**	**3.009**	**9.643**
Cash at bank and in hand		**139.643**	**79.819**	**387**	**181**
Current assets		**638.468**	**513.487**	**3.396**	**9.824**
Assets		**1.152.614**	**928.824**	**552.379**	**495.527**

Balance Sheet 31 December 2020

Liabilities and equity

	Note	Group 2020	Group 2019	Parent Company 2020	Parent Company 2019
		DKK '000	DKK '000	DKK '000	DKK '000
Share capital		75.000	75.000	75.000	75.000
Reserve for hedging transactions		-4.238	-2.477	0	0
Reserve for currency conversion		-10.140	0	0	0
Reserve for net revaluation under the equity method		0	0	52.583	56.936
Retained earnings		141.996	135.912	75.035	76.499
Equity allocated to shareholders of the parent company		**202.618**	**208.435**	**202.618**	**208.435**
Minority interests		4.360	4.662	0	0
Total equity	16	**206.978**	**213.097**	**202.618**	**208.435**
Warranty obligations	17	4.770	4.355	0	0
Provision for deferred tax	14	28.313	28.909	0	0
Other provisions	18	19.173	21.729	0	0
Provisions		**52.256**	**54.993**	**0**	**0**
Credit institutions	19	198.148	67.166	0	0
Loans from group enterprises	19	262.879	263.953	329.513	263.953
Other payables	19	2.440	2.325	0	0
Long-term debt		**463.467**	**333.444**	**329.513**	**263.953**
Current portion of long-term debt	19	33.508	8.174	0	0
Credit institutions		65.923	31.873	0	0
Prepayments received from customers	13	75.920	78.563	0	0
Trade payables		134.069	121.793	0	0
Payables to group enterprises		161	177	15.065	22.072
Deferred income		4.505	4.857	0	0
Corporation tax		6.341	12.440	1.743	0
Other payables		109.486	69.413	3.440	1.067
Short-term debt		**429.913**	**327.290**	**20.248**	**23.139**
Debt		**893.380**	**660.734**	**349.761**	**287.092**
Liabilities and equity		**1.152.614**	**928.824**	**552.379**	**495.527**

Balance Sheet 31 December 2020

	Note
Fee to auditors appointed at the general meeting	2
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Statement of changes in equity

Group	Share capital	Reserve for hedging transactions	Reserve for currency conversion	Retained earnings	Parent company shareholders share of equity	Minority interests	Total
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Equity at 1 January 2020	75.000	-2.477	0	135.912	208.435	4.662	213.097
Exchange adjustments	0	0	-10.140	0	-10.140	9	-10.131
Fair value adjustment of hedging instruments	0	-2.257	0	0	-2.257	0	-2.257
Tax on equity adjustments	0	496	0	0	496	0	496
Other adjustments	0	0	0	1.192	1.192	-1.868	-676
Net profit/loss for the year	0	0	0	4.892	4.892	1.557	6.449
Equity at 31 December 2020	**75.000**	**-4.238**	**-10.140**	**141.996**	**202.618**	**4.360**	**206.978**

Parent Company	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	DKK '000	DKK '000	DKK '000	DKK '000
Equity at 1 January 2020	75.000	56.936	76.499	208.435
Adjustments in subsidiaries	0	-18.633	0	-18.633
Contribution from parent company	0	0	7.924	7.924
Net profit/loss for the year	0	14.280	-9.388	4.892
Equity at 31 December 2020	**75.000**	**52.583**	**75.035**	**202.618**

Cash Flow Statement 1 January 2020 - 31 December 2020

	Note	Group 2020	2019
		DKK '000	DKK '000
Net profit/loss for the year		6.449	19.813
Adjustments	24	90.617	71.446
Change in working capital	25	100.945	-57.089
Cash flows from operating activities before financial income and expenses		**198.011**	**34.170**
Financial income		2.393	4.291
Financial expenses		-29.779	-16.258
Cash flows from ordinary activities		**170.625**	**22.203**
Corporation tax paid		-21.599	-9.177
Cash flows from operating activities		**149.026**	**13.026**
Acquisition of subsidiaries		-238.662	0
Purchase of intangible assets		-9.936	-9.829
Purchase of property, plant and equipment		-21.403	-25.700
Fixed asset investments made		-8.899	-8.465
Sale of intangible assets		0	129
Sale of property, plant and equipment		2.713	1.214
Sale of fixed asset investments		159	243
Cash flows from investing activities		**-276.028**	**-42.408**
Raising of long-term debt		158.329	70.255
Repayment of long-term debt		-5.553	-6.801
Cash flows from financing activities		**152.776**	**63.454**
Change in cash and cash equivalents		**25.774**	**34.072**
Cash and cash equivalents at 1 January 2020		47.946	13.874
Cash and cash equivalents at 31 December 2020		**73.720**	**47.946**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		139.643	79.819
Credit institutions		-65.923	-31.873
Cash and cash equivalents at 31 December 2020		**73.720**	**47.946**

Notes to the Annual Report

		Group		Parent Company	
		2020	2019	2020	2019
		DKK '000	DKK '000	DKK '000	DKK '000
1	**Revenue**				
	Geographical segments				
	Europe	260.683	211.760	3.069	3.117
	Outside Europe	1.001.677	670.175	1.176	0
		1.262.360	**881.935**	**4.245**	**3.117**
	Activity segments				
	Project sales	451.190	462.582	0	0
	Aftersales	811.170	419.353	0	0
	Other	0	0	4.245	3.117
		1.262.360	**881.935**	**4.245**	**3.117**
2	**Fee to auditors appointed at the general meeting**				
	PricewaterhouseCoopers				
	Audit fee	1.265	892	58	59
	Other assurance engagements	40	0	0	0
	Tax assistance	155	158	0	0
	Non-audit services	1.086	1.076	0	0
	Other audit companies				
	Audit fee and non-audit services	1.576	1.915	0	0
		4.122	**4.041**	**58**	**59**
3	**Staff**				
	Wages and salaries	255.067	198.641	3.810	3.849
	Pensions	12.194	12.321	320	315
	Other social security expenses	34.018	26.768	10	11
		301.279	**237.730**	**4.140**	**4.175**
	Average number of employees	**1.367**	**1.052**	**2**	**2**

Remuneration to the executive board is not stated according to ÅRL § 98b section 3 as it will explain the remuneration to a single member of the management.

		Parent Company	
		2020	2019
		DKK '000	DKK '000
4	**Income from investments in subsidiaries after tax**		
	Share of earnings of subsidiaries after tax	29.476	42.513
	Amortisation of goodwill	-15.196	-14.635
		14.280	**27.878**

Notes to the Annual Report

	Group		Parent Company	
	2020	2019	2020	2019
	DKK '000	DKK '000	DKK '000	DKK '000
5 Financial income				
Interest received from group enterprises	0	0	2.581	211
Exchange adjustments	1.562	3.339	9.339	0
Other financial income	831	952	0	390
	2.393	**4.291**	**11.920**	**601**
6 Financial expenses				
Interest expenses to group enterprises	7.924	8.256	11.546	9.266
Bank charges	6.097	3.831	2	2
Exchange adjustments	11.077	1.521	8.291	84
Other financial expenses	4.681	2.650	1	23
	29.779	**16.258**	**19.840**	**9.375**
7 Tax on profit/loss for the year				
Current tax for the year	18.845	19.949	1.743	-4.324
Deferred tax for the year	-3.345	-4.583	-2.156	3.909
Total tax for the year	**15.500**	**15.366**	**-413**	**-415**
which breaks down as follows:				
Tax on profit/loss for the year	15.996	15.787	-413	-415
Tax on changes in equity	-496	-421	0	0
	15.500	**15.366**	**-413**	**-415**
8 Distribution of profit				
Proposed distribution of profit				
Net revaluation according to the equity method	0	0	14.280	25.181
Minority interests' share of net profit/loss of subsidiaries	1.557	1.684	0	0
Retained earnings	4.892	18.129	-9.388	-7.052
	6.449	**19.813**	**4.892**	**18.129**

Notes to the Annual Report

9 Intangible assets

Group	Goodwill	Brand	Customer relations	Order backlog	Develop-ment projects	Develop-ment projects in progress
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Cost at 1 January 2020	380.974	0	0	0	27.219	11.033
Adjustments	0	0	0	0	4.342	0
Exchange adjustments	-5.918	-4.934	-2.540	-426	-3	0
Additions for the year	53.195	44.349	22.838	3.829	413	9.523
Transferred	0	0	0	0	13.555	-13.555
Disposals for the year	-2.450	0	0	0	-156	0
Cost at 31 December 2020	425.801	39.415	20.298	3.403	45.370	7.001
Amortisation at 1 January	98.109	0	0	0	25.019	0
Adjustments	0	0	0	0	4.342	0
Exchange adjustments	-180	-113	-117	-259	-1	0
Amortisation for the year	22.513	1.591	1.639	3.662	1.744	0
and amortisation of sold assets	-2.450	0	0	0	-156	0
Amortisation at 31 December 2020	117.992	1.478	1.522	3.403	30.948	0
Carrying amount at 31 December 2020	**307.809**	**37.937**	**18.776**	**0**	**14.422**	**7.001**
Amortised over	20 years	20 years	10 years	9-18 months	3-5 years	

Amortisation and impairment of intangible assets are recognised in the following items:

Cost of sales	1.744
Amortisation, goodwill	29.405
	31.149

Goodwill

Investment in subsidiaries are considered to be of strategic importance for the Group. In consideration of the Groups plans for development and increasing the activities in the acquired subsidiaries the useful life of goodwill is set up to 20 years.

Development projects

Completed development projects comprise development and testing of components and systems within the area of gas filling plants. Completed development projects are amortized over 3-5 years.

The management has not identified any indication of impairment in relation to the carrying amount.

Development project in progress

Development projects mainly consists of development of new components, systems and software within the area of LPG filling plants. The costs mainly consists of external costs.

The new components and systems leads to competitive advantage and thus directly influence the activity and future financial performance of the Group.

Notes to the Annual Report

10 Property, plant and equipment

Group	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK '000	DKK '000	DKK '000	DKK '000
Cost at 1 January 2020	76.664	35.972	68.206	6.579
Exchange adjustments	-1.533	-3.342	-1.357	-26
Additions for the year	9.909	10.739	6.894	398
Transferred	54	546	-600	0
Disposals for the year	0	-7.010	-11.068	0
Cost at 31 December 2020	85.094	36.905	62.075	6.951
Impairment losses and depreciation at 1 January 2020	4.738	15.091	50.742	961
Exchange adjustments	-258	-1.201	-826	-10
Depreciation for the year	2.479	3.831	7.179	717
Reversal of impairment and depreciation of sold assets	0	-4.343	-11.022	0
Impairment losses and depreciation at 31 December 2020	6.959	13.378	46.073	1.668
Carrying amount at 31 December 2020	**78.135**	**23.527**	**16.002**	**5.283**
Depreciated over	20-40 years	2-10 years	2-10 years	5-12 years

Depreciation and impairment of property, plant and equipment are recognised in the following items:

	2020
	DKK '000
Cost of sales	6.521
Distribution expenses	3.696
Administrative expenses	3.989
	14.206

Notes to the Annual Report

11 Fixed assets investments

Group	Investments in associates	Deposits
	DKK '000	DKK '000
Cost at 1 January 2020	8.564	1.053
Exchange adjustments	-10	-103
Additions for the year	695	734
Disposals for the year	0	-159
Cost at 31 December 2020	9.249	1.525
Value adjustment at 1 January 2020	-6.267	0
Exchange adjustments	-29	0
Net profit/loss for the year	776	0
Value adjustments at 31 December 2020	-5.520	0
Carrying amount at 31 December 2020	**3.729**	**1.525**

Parent Company	Investments in subsidiaries	Loans to group enterprises
	DKK '000	DKK '000
Cost at 1 January 2020	428.767	0
Exchange adjustments	0	-8.245
Additions for the year	999	74.879
Cost at 31 December 2020	429.766	66.634
Value adjustment at 1 January 2020	56.936	0
Exchange adjustments	-9.992	0
Net profit/loss for the year	14.280	0
Other equity adjustments	-6.880	0
Fair value adjustment of hedging instruments, net	-1.761	0
December 2020	52.583	0
Carrying amount at 31 December 2020	**482.349**	**66.634**

Notes to the Annual Report

11 Fixed assets investments *(continued)*

Remaining positive difference included in the above carrying amount at 31 December 2020	340.479

Subsidiaries are recognised and measured as separate entities.

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Kosan Crisplant a/s	Denmark	kDKK 15,000	100%
Makeen Power A/S	Denmark	kDKK 500	100%
House of Makeen Energy A/S	Denmark	kDKK 400	100%
Makeen ProSupply ApS	Denmark	kDKK 1,000	100%

	Group		Parent Company	
	2020	2019	2020	2019
	DKK '000		DKK '000	
12 Inventories				
Raw materials and consumables	140.766	112.471	0	0
Work in progress	31.808	10.258	0	0
	172.574	**122.729**	**0**	**0**
13 Contract work in progress				
Selling price of production	890.517	784.276	0	0
Payments received on account	-875.207	-770.637	0	0
Contract work in progress, net	**15.310**	**13.639**	**0**	**0**
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	91.230	92.202	0	0
Prepayments received recognised in debt	-75.920	-78.563	0	0
	15.310	**13.639**	**0**	**0**

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	Group		Parent Company	
	2020	2019	2020	2019
	DKK '000	DKK '000	DKK '000	DKK '000
14 Provision for deferred tax				
Fixed assets	19.790	17.241	0	0
Current assets	14.196	13.241	0	0
Debt	-662	-1.326	0	0
Tax loss carry-forward	-5.011	-247	0	0
	28.313	**28.909**	**0**	**0**
Deferred tax asset				
Fixed assets	1.348	289	0	0
Current assets	1.179	1.695	0	0
Debt	818	1.428	330	0
Tax loss carry-forward	3.289	473	1.826	0
	6.634	**3.885**	**2.156**	**0**

Based on the budgets for the next three years, management has considered it likely that prior years tax losses and unused tax credits can be utilized within 3-5 years.

15 Prepayments

Prepayments	22.673	5.917	0	0
	22.673	**5.917**	**0**	**0**

16 Equity

The share capital consists of 750.000 shares of a nominal amount of DKK 100. No shares carry any special rights.

Share capital for the past two years is specified as follows:

	2020	2019	2018	2017	2016
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Share capital	75.000	75.000	75.000	75.000	75.000

	Group		Parent Company	
	2020	2019	2020	2019
	DKK '000	DKK '000	DKK '000	DKK '000
17 Warranty obligations				
Within 1 year	4.770	4.355	0	0
	4.770	**4.355**	**0**	**0**

Notes to the Annual Report

18 Other provisions

Other provisions are related to retirement obligations and provision for loss-making sales projects.

19 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:

	Group		Parent Company	
	2020	2019	2020	2019
	DKK '000	DKK '000	DKK '000	DKK '000
Credit institutions				
After 5 years	69.539	43.501	0	0
Between 1 and 5 years	128.609	23.665	0	0
Long-term part	198.148	67.166	0	0
Within 1 year	32.796	7.252	0	0
	230.944	**74.418**	**0**	**0**
Payables to group enterprises				
After 5 years	0	0	66.634	0
Between 1 and 5 years	262.879	263.953	262.879	263.953
Long-term part	262.879	263.953	329.513	263.953
	262.879	**263.953**	**329.513**	**263.953**

Loan from group enterprises is subordinated and bear an interest rate based on Euribor 12 month + 3,25% p.a.

Other payables

After 5 years	1.183	0	0	0
Between 1 and 5 years	1.257	2.325	0	0
Long-term part	2.440	2.325	0	0
Within 1 year	712	922	0	0
	3.152	**3.247**	**0**	**0**

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	Group		Parent Company	
	2020	2019	2020	2019
	DKK '000	DKK '000	DKK '000	DKK '000
20 Contingent assets, liabilities and other financial obligations				
The future minimum lease payments under operating leases are as follows:				
No later than 1 year	8.371	8.243	0	0
Later than 1 year and no later than 5 years	12.698	17.172	0	0
Later than 5 years	4.697	5.559	0	0
	25.766	**30.974**	**0**	**0**

Group

The Group's banks have at 31 December 2020 issued bank guarantees totalling DKK 157,231k towards the Group's customers and banks.

The Group is a party in a pending claim for damages related to product liability, and also a party in a mutual claim for contract breach. The outcome of these claims are expected not to constitute financial obligations on part of the Group beyond what is allocated in the Annual Report.

The Group has issued a guarantee for Makeen Energy France S.A.S.'s engagement with BNP Paribas and for CPI S.A.'s engagement with Banco BPI for a total of EUR 4,200k. The company has issued a guarantee for Kosan Crisplant Lanka (Private) Ltd.'s engagement with Sampath Bank for total EUR 1,850k.

The Group has issued a mortgage bond with security in land and buildings with carrying amount of total DKK 64.610k.

The Group has issued a guarantee with security in plant and machinery with carrying amount of total USD 718k.

The Group has issued a guarantee with security in inventory and trade receivables with carrying amount of total INR 400.000k.

The Group has provided security towards banks with the shares of Makeen ProSupply ApS, Makeen ProSupply North America LLC and Gas Equipment Company, Inc for Makeen ProSupply North America's engagement with the bank. The consolidated equity value of the companies' shares is DKK -784k.

Parent Company

The Company has issued a surety guarantee for Makeen Power A/S, House of Makeen Energy A/S, Makeen Prosupply ApS and Kosan Crisplant A/S' engagement with banks for a total of DKK 474,399k.

The Danish companies in the Group are subject to mandatory Danish national joint taxation. The jointly taxed companies share the liability for the Danish income tax etc.

The Group has provided security towards banks with the shares of Makeen ProSupply ApS, Makeen ProSupply North America LLC and Gas Equipment Company, Inc for Makeen ProSupply North America's engagement with the bank. The consolidated equity value of the companies' shares is DKK -784k.

Notes to the Annual Report

20 Contingent assets, liabilities and other financial obligations *(continued)*

The parent company has issued a limited parent guarantee to Makeen Power A/S, Makeen ProSupply ApS and House of Makeen Energy A/S which expire at the next annual general meeting.

21 Related parties and Group Annual Report

Transactions

The Company has chosen only to disclose transactions which have not been made on arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

The Company has received subsidies from Al Ayuni Contracting & Investment Company for DKK 7,924k. Besides the received subsidies from Al Ayuni Contracting & Investment Company all transactions with related parties are on arm's length basis.

Group Annual Report

The Company is included in the Group Annual Report for the Ultimate parent company Al Ayuni Investment & Contracting Company.

The Group Annual Report can be obtained from the following address:

Al Ayuni Investment & Contracting Company
That Alsawari, Al Wurud
12251 Riyadh
Saudi Arabia

Notes to the Annual Report

22 Derivative financial instruments

It is group policy to hedge material expected currency cash flows in currencies not closesely correlated to EUR.

Fair value of derivatives recognised in the balance sheets as of 31 December:

	Group		Parent Company	
	2020	2019	2020	2019
	DKK '000	DKK '000	DKK '000	DKK '000
Forward exchange contracts,	0	-324	0	0
Interest rate swaps	-5.433	-2.852	0	0
	-5.433	**-3.176**	**0**	**0**
Cash flow hedges	-5.433	-3.176	0	0
Fair value hedges	0	0	0	0
	-5.433	**-3.176**	**0**	**0**
Assets	0	0	0	0
Liabilities	-5.433	-3.176	0	0
	-5.433	**-3.176**	**0**	**0**

Gains and losses recognised in the hedging reserve in the equity on interest rate swaps and forward exchange contracts as of 31 December 2020 will be recognised in profit and loss in the period or periods during which the hedged forecast sales take place (1-18 years). The Group's banks have determined the fair value.

23 Subsequent events

No events materially affecting the assessment of the financial position of the Company by 31 December 2020 have occurred after the balance sheet date.

	Group	
	2020	2019
	DKK '000	DKK '000
24 Cash flow statement - adjustments		
Financial income	-2.393	-4.291
Financial expenses	29.779	16.258
Income from investments in associates before tax	-775	892
Depreciation of property, plant and machinery	11.911	13.669
Amortisation of intangible assets	31.149	23.251
Tax on profit/loss for the year	15.996	15.787
Adjustments deferred tax	-3.345	-4.583
Equity adjustments	10.738	10.880
Change in minority interests' share of equity	-302	-272
Change in other provisions	-2.141	-145
	90.617	**71.446**

25 Cash Flow Statement - change in working capital		
Change in inventories	42.271	-3.049
Change in receivables	38.022	-7.532
Change in contract work in progress	972	-15.945
Change in other receivables	5.288	-5.022
Change in prepayments (assets)	-7.746	-2.197
Change in prepayments from customers	-2.643	-38.105
Change in trade payables etc.	-11.129	19.606
Change in receivables from group enterprises, net	-117	-186
Change in other debt	36.379	-4.118
Change in deferred income	-352	-541
	100.945	**-57.089**