
Advanced Carbon Pultrusion A/S

Barmstedt Alle 5, DK-5500 Middelfart

Annual Report for 2023

CVR No. 37 75 88 17

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 28/6 2024

Javier Perez Freije
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Advanced Carbon Pultrusion A/S for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

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.

Middelfart, 28 June 2024

Executive Board

Jesper Sørensen
CEO

Board of Directors

Javier Perez Freije

Jesper Sørensen

Neil McAdam

Practitioner's Statement on Compilation of Financial Statements

To the Management of Advanced Carbon Pultrusion A/S

We have compiled the Financial Statements of Advanced Carbon Pultrusion A/S for the financial year 1 January - 31 December 2023 on the basis of the Company's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Odense M, 28 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Line Hedam

State Authorised Public Accountant

mne27768

Sigurd Skov Nielsen

State Authorised Public Accountant

mne44150

Company information

The Company	Advanced Carbon Pultrusion A/S Barmstedt Alle 5 5500 Middelfart CVR No: 37 75 88 17 Financial period: 1 January - 31 December Municipality of reg. office: Middelfart
Board of Directors	Javier Perez Freije Jesper Sørensen Neil McAdam
Executive Board	Jesper Sørensen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Munkebjergvænget 1, 3. og 4. sal DK-5230 Odense M
Bankers	Nordea Kolding Åpark 2 6000 Kolding

Management's review

Key activities

The principal activities comprise of rental of machines.

Development in the year

The income statement of the Company for 2023 shows a profit of EUR 21,653, and at 31 December 2023 the balance sheet of the Company shows a positive equity of EUR 1,280,871.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2023 of the Company and the results of the activities and cash flows of the Company for the financial year for 2023 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2023	2022
		EUR	EUR
Gross profit		386,609	473,265
Depreciation and impairment losses of property, plant and equipment		-383,948	-389,750
Other operating expenses		0	-205,409
Profit/loss before financial income and expenses		2,661	-121,894
Financial income		758	2,721
Financial expenses		0	-131
Profit/loss before tax		3,419	-119,304
Tax on profit/loss for the year	1	18,234	-4,097,282
Net profit/loss for the year		21,653	-4,216,586
 Distribution of profit			
		2023	2022
		EUR	EUR
Proposed distribution of profit			
Retained earnings		21,653	-4,216,586
		21,653	-4,216,586

Balance sheet 31 December

Assets

	Note	2023	2022
		EUR	EUR
Plant and machinery		0	3,363,388
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	2	0	3,363,388
Fixed assets		0	3,363,388
Receivables from group enterprises		2,279,259	0
Other receivables		0	16,400
Receivables		2,279,259	16,400
Investments in group enterprises		129	129
Short-term investments		129	129
Cash at bank and in hand		3,831	1,042
Current assets		2,283,219	17,571
Assets		2,283,219	3,380,959

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		EUR	EUR
Share capital		1,000,000	1,000,000
Retained earnings		280,871	259,218
Equity		1,280,871	1,259,218
Trade payables		204,181	202,434
Payables to group enterprises		0	1,914,106
Other payables		798,167	5,201
Short-term debt		1,002,348	2,121,741
Debt		1,002,348	2,121,741
Liabilities and equity		2,283,219	3,380,959
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Statement of changes in equity

	Share capital	Retained earnings	Total
	EUR	EUR	EUR
Equity at 1 January	1,000,000	259,218	1,259,218
Net profit/loss for the year	0	21,653	21,653
Equity at 31 December	1,000,000	280,871	1,280,871

Notes to the Financial Statements

	2023	2022
	EUR	EUR
1. Income tax expense		
Current tax for the year	-18,234	0
Deferred tax for the year	0	4,067,887
Adjustment of tax concerning previous years	0	29,395
	<u>-18,234</u>	<u>4,097,282</u>

Income tax expense for 2022 includes a write-down of deferred tax assets due to negative results and expectations in the Group, which is regarded as a special item.

2. Property, plant and equipment

	Plant and machinery	Other fixtures and fittings, tools and equipment
	EUR	EUR
Cost at 1 January	5,595,832	80,536
Disposals for the year	-5,595,832	-80,536
Cost at 31 December	<u>0</u>	<u>0</u>
Impairment losses and depreciation at 1 January	2,232,444	80,536
Impairment and depreciation of sold assets for the year	383,948	0
Reversal of impairment and depreciation of sold assets	-2,616,392	-80,536
Impairment losses and depreciation at 31 December	<u>0</u>	<u>0</u>
Carrying amount at 31 December	<u>0</u>	<u>0</u>
Amortised over	<u>3-15 years</u>	<u>5-10 years</u>
	2023	2022
	EUR	EUR

3. Deferred tax asset

Deferred tax asset at 1 January	0	-4,055,610
Deferred tax of the year, income statement	0	-23,974
Correction, beginning of year	0	11,697
Amounts recognised in the income statement for the year	0	-4,067,887
Amounts recognised in equity for the year	0	8,135,774
Deferred tax asset at 31 December	<u>0</u>	<u>0</u>

Notes to the Financial Statements

4. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

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

Notes to the Financial Statements

5. Accounting policies

The Annual Report of Advanced Carbon Pultrusion A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in EUR.

Recognition and measurement

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

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

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

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

Translation policies

EUR is used as the presentation currency. All other currencies are regarded as foreign currencies.

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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Revenue

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

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

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Notes to the Financial Statements

Gross profit

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

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

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

Financial income and expenses

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

Tax on profit/loss for the year

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

The Company is jointly taxed with Fiberline Composites A/S. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

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.

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:

Plant and machinery	3-15 years
Other fixtures and fittings, tools and equipment	5-10 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

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.

Notes to the Financial Statements

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.

Current Asset Investments

Current Asset Investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Deferred tax assets and liabilities

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

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

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

Current tax receivables and liabilities

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

Financial liabilities

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