

# **MAKEEN EnviroTech A/S**

**Alsvej 21**

**DK-8940 Randers SV**

**CVR no 38 33 17 60**

## **Annual Report for 2023**

The Annual Report has been presented and adopted at the Annual General Meeting of the Company on 27 June 2024

**Chairman Mads Bach Christensen**

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## Management's Statement on the Annual Report

The Executive Board and Board of directors have today considered and adopted the Annual Report of MAKEEN EnviroTech A/S for the financial year 1 January – 31 December 2023.

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

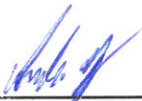
In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

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.

Randers, 27 June 2024

### Executive Board



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Anders Bjørn  
CEO

### Board of directors



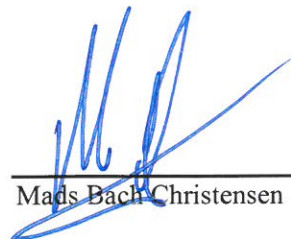
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Anders C. Anderson (chairman)



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Søren Mikkelsen



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Mads Bach Christensen

# **Independent Auditors' report**

**To the Shareholders of MAKEEN EnviroTech A/S**

## **Opinion**

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

We have audited the Financial Statements of Makeen EnviroTech A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Emphasis of matter**

We draw attention to note 2 in the Financial Statements, which describes the significant uncertainty associated with measurement of the recognised property, plant and equipment and contract work in progress. Our conclusion is not modified regarding this matter.

## **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 in 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 Financial Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

## **Independent Auditors' report**

### **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 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.

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 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, where such disclosures are not adequate, 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.

## Independent Auditors' report

- 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 achieves fair presentation.


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, 27 June 2024

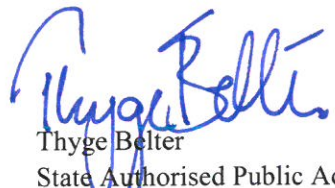
### **PricewaterhouseCoopers**

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

<b>The Company</b>	MAKEEN EnviroTech A/S Alsvej 21 DK-8940 Randers SV  CVR no 38 33 17 60 Financial period: 1 January - 31 December Financial year: 7 Municipality of reg. office: Randers
<b>Board of directors</b>	Anders C. Anderson (chairman) Søren Mikkelsen Mads Bach Christensen Sulaiman Abdulrahman Alkharraz
<b>Executive Board</b>	Anders Bjørn
<b>Auditors</b>	PricewaterhouseCoopers Nobelparken Jens Chr. Skous Vej 1 DK-8000 Aarhus C

## **Managements Review**

### **Main activities**

MAKEEN EnviroTech A/S is a design and projectoriented technology company that develop total solutions for handling waste plastic and composite materials like worn out wind blades. The Company's most progressed solution so far is Plastcon, a turnkey chemical recycling plant that convert waste plastic to oil.

### **Development during the Year**

The result before tax for the year is a loss of DKK 99,1 million versus a loss of DKK 130,5 million in 2022. The result is lower than expected at the beginning of the year and negatively affected by DKK 101 million related to higher cost for designing and construction of the first plast to oil conversion system. The result is further negatively affected by DKK 10,8 million related to impairment of Plant and Machinery regarding the plast to oil conversion system. The company has during the year sold the IPR (Intellectual Property Rights) to the oil conversion system which have positively affected the profit/loss by DKK 60,8 million

The plast to oil conversion systems is requiring a lot of resources and higher investments than originally planned. The future expectations for this new technology are very high and the market interest shown so far is very positive. The first system is expected to be in operation in Q2 in 2024.

### **Capital Resources**

The Company has per 31 December 2023 lost more than half of the share capital. The Company is subject to the rules of loss of capital of the Danish Company Act. With reference to note 1 the Company expects to reestablish the share capital through future profit, alternatively through capital increase or conversion of debt.

### **Expectations for the Year Ahead**

The company is expecting to Finalize the first oil conversion system in 2024, where the Company expects an operating profit closer to zero. From 2025 the Company is expected to be profitable.

### **Ownership**

The Company's share capital of DKK 500k by 31 December 2023 is wholly owned by MAKEEN Energy A/S, Alsvej 21, DK-8940 Randers SV, Denmark.



## **Accounting Policies**

### **Basis of Preparation**

The Annual Report of MAKEEN EnviroTech A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to small enterprises of reporting class B with addition of a few optional items from class C.

The accounting policies are unchanged compared to previous years.

The financial statement is presented in TDKK.

### **Consolidation financial statements**

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

### **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

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.

## **Accounting Policies**

### **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

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.

### **Income Statement**

#### **Gross profit**

Gross profit consists of revenue, other revenues and costs and cost of goods sold. With reference to Danish Financial Statements Act § 32, revenue and cost of sales is not shown in the financial

#### **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.

#### **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

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,

## **Accounting Policies**

### **Administrative expenses**

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

### **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.

### **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.

## Accounting Policies

### Balance Sheet

#### Intangible assets

##### *Development projects and licences*

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.

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

##### **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:

Plant and machinery	5-7 years
Other fixtures and fittings, tools and equipment	5-6 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

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

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

### **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 allowing for 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

### **Contract work in progress**

Contract work in progress is measured at the value 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 value 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 value is positive and as liabilities when the net value 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.

### **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.

## Income Statement 1 January 2023 - 31 December 2023

	Note	2023	2022
		TDKK	TDKK
<b>Gross profit</b>	4	<b>-118.507</b>	<b>-119.392</b>
Distribution expenses	4	-5.570	-2.527
Administrative expenses	4	-12.593	-5.065
<b>Operating profit/loss</b>		<b>-136.670</b>	<b>-126.984</b>
Other operating income		60.837	0
<b>Profit/loss before financial income and expenses</b>		<b>-75.833</b>	<b>-126.984</b>
Income from investments in subsidiaries after tax		-87	-9
Financial income	5	140	57
Financial expenses	6	-23.289	-3.542
<b>Profit/loss before tax</b>		<b>-99.069</b>	<b>-130.478</b>
Tax on profit/loss for the year	7	25.758	29.804
<b>Net profit/loss for the year</b>		<b>-73.311</b>	<b>-100.674</b>
<b>Distribution of profit</b>	8		



## Balance Sheet 31 December 2023

### Assets

	Note	2023 TDKK	2022 TDKK
Completed development projects		0	1.180
Development projects in progress		6.082	57.638
<b>Intangible assets</b>	<b>9</b>	<b>6.082</b>	<b>58.818</b>
Plant and machinery		35.760	7.833
Other fixtures and fittings, tools and equipment		393	481
<b>Property, plant and equipment</b>	<b>10</b>	<b>36.153</b>	<b>8.314</b>
Investments in subsidiaries		25	40
Investments in associates		0	96
Deposits		42	42
<b>Fixed asset investments</b>		<b>67</b>	<b>178</b>
<b>Fixed assets</b>		<b>42.302</b>	<b>67.310</b>
<b>Inventories</b>	<b>11</b>	<b>1.789</b>	<b>421</b>
Trade receivables		670	9.646
Contract work in progress	12	115	1.913
Receivables from group enterprises		7.994	482
Loans to group enterprises		165.245	0
Other receivables		3.539	13.999
Corporation tax		0	7.927
Deferred tax asset	13	67.481	40.026
Prepayments		461	5.606
<b>Receivables</b>		<b>245.505</b>	<b>79.599</b>
<b>Cash at bank and in hand</b>		<b>0</b>	<b>0</b>
<b>Current assets</b>		<b>247.295</b>	<b>80.020</b>
<b>Assets</b>		<b>289.597</b>	<b>147.330</b>

## Balance Sheet 31 December 2023

### Liabilities and equity

	Note	2023	2022
		TDKK	TDKK
Share capital	15	500	500
Net revaluation according to development costs		4.744	45.878
Retained earnings		-249.547	-217.369
<b>Equity</b>		<b>-244.303</b>	<b>-170.991</b>
Warranty obligations		4.594	2.200
Other provisions	12	44.121	37.473
<b>Provisions</b>		<b>48.715</b>	<b>39.673</b>
Loans from group enterprises	14	66.346	75.000
<b>Long-term debt</b>		<b>66.346</b>	<b>75.000</b>
Current portion of long-term debt	14	8.654	0
Prepayments received from customers	12	24.051	0
Trade payables		53.474	84.790
Payables to group enterprises		326.792	115.790
Corporation tax		1.698	0
Other payables		4.171	3.068
<b>Short-term debt</b>		<b>418.839</b>	<b>203.648</b>
<b>Debt</b>		<b>485.185</b>	<b>278.648</b>
<b>Liabilities and equity</b>		<b>289.597</b>	<b>147.330</b>

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## Statement of changes in equity

	Share capital	Reserve according to developing costs	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2023	500	45.878	-217.369	-170.991
Net profit/loss for the year	0	-41.134	-32.177	-73.311
<b>Equity at 31 December 2023</b>	<b>500</b>	<b>4.744</b>	<b>-249.547</b>	<b>-244.303</b>

## Notes to the Annual Report

### 1 Going concern

The Annual report is prepared under the condition of going concern. The Company has per 31 December 2023 lost more than half of the share capital. The Company expects to reestablish the share capital through future profit, alternatively through capital increase or conversion of debt.

MAKEEN Energy A/S who owns 100 % of the share capital has issued a parent guarantee which expire at the next annual general meeting. The guarantee secures the needed cash flow to ensure going concern of the Company.

### 2 Uncertainty regarding recognition and measurement

As of 31 December 2023, MAKEEN EnviroTech A/S has recognised tangible assets of DKK 36 million related to the construction of an industrial plant that converts recycled plastic into oil.

The first contract has been signed and is currently under construction. The expected loss on the construction contract has been expensed and the remaining loss of DKK 38 million has been recognised as Other provisions in the annual report. The market has reacted very positively and there are high expectations for the sale of the developed plant. As mentioned, this is a newly developed industrial plant, and a natural uncertainty is associated with the market potential and the cost of constructing the first plant and the profitability hereof. However, no losses are expected beyond what is recognised in the annual report. Please also refer to note 10 and 12.

### 3 Other operating income

Other operating income consist of profit from the sale of Intellectual Property Rights related to Plastcon technology of DKK 60,837k.

### 4 Staff

	2023	2022
	TDKK	TDKK
Wages and salaries	24.841	11.696
Pensions	1.774	802
Other social security expenses	293	155
	<u>26.908</u>	<u>12.653</u>
<b>Average number of employees</b>	<u>39</u>	<u>21</u>

## Notes to the Annual Report

	2023	2022
	DKK	DKK
<b>5 Financial income</b>		
enterprises	21	0
Exchange adjustments	119	57
	<b>140</b>	<b>57</b>
<b>6 Financial expenses</b>		
Interest expenses to group enterprises	21.317	3.371
Bank charges	11	6
Exchange adjustments	1.940	163
Other interest	20	2
	<b>23.289</b>	<b>3.542</b>
<b>7 Tax on profit/loss for the year</b>		
Current tax for the year	1.697	-7.927
Deferred tax for the year	-27.455	-21.877
<b>Total tax for the year</b>	<b>-25.758</b>	<b>-29.804</b>
which breaks down as follows:		
Tax on profit/loss for the year	-25.758	-29.804
	<b>-25.758</b>	<b>-29.804</b>
<b>8 Distribution of profit</b>		
<b>Proposed distribution of profit</b>		
Net capitalized development costs	-41.134	29.510
Retained earnings	-32.177	-130.184
	<b>-73.311</b>	<b>-100.674</b>

## Notes to the Annual Report

### 9 Intangible assets

	Development projects	Develop- ment projects in progress
	TDKK	TDKK
Cost at 1 January 2023	4.718	57.638
Additions for the year	0	54.694
Disposals for the year	0	-106.251
Cost at 31 December 2023	<b>4.718</b>	<b>6.082</b>
Amortisation at 1 January 2023	3.538	0
Amortisation for the year	1.180	0
Amortisation at 31 December 2023	<b>4.718</b>	<b>0</b>
<b>Carrying amount at 31 December 2023</b>	<b>0</b>	<b>6.082</b>

#### Development projects

Completed development projects comprise development and testing of components and systems within the area of recycling. Completed development projects are amortized over 3-5

#### Development project in progress

Development projects mainly consists of development of new components, systems and software within the PlastCon plants.

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

Disposals for the year relates to the sale of Intellectual Property Rights related to Plastcon technology.

## Notes to the Annual Report

### 10 Property, plant and equipment

	Plant and machinery	Other fixtures and fittings, tools and equipment
	TDKK	TDKK
Cost at 1 January 2023	89.712	481
Additions for the year	38.726	0
Cost at 31 December 2023	<u>128.438</u>	<u>481</u>
Amortisation at 1 January 2023	81.879	0
Amortisation for the year	0	88
Impairment for the year	10.799	0
Amortisation at 31 December 2023	<u>92.678</u>	<u>88</u>
<b>Carrying amount at 31 December 2023</b>	<b><u>35.760</u></b>	<b><u>393</u></b>
Depreciated over	<u>5-7 years</u>	<u>5-6 years</u>

The profit/loss for the year is negatively impacted by an impairment of property, plant and equipment of DKK 10,8 million (2022: DKK 81,9 million)  
Impairment relates to investment in a facility management contract and a syngas solution within Plastcon in the Envirotech division.

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

	2023
	TDKK
Cost of sales	10.887
	<b><u>10.887</u></b>

	2023	2022
	TDKK	TDKK
<b>11 Inventories</b>		
Raw materials and consumables	1.789	421
	<b><u>1.789</u></b>	<b><u>421</u></b>

## Notes to the Annual Report

	2023	2022
	TDKK	TDKK
<b>12 Contract work in progress</b>		
Selling price of production	111.469	107.316
Payments received on account	-135.405	-105.403
Contract work in progress, net	<b>-23.936</b>	<b>1.913</b>
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	115	1.913
Prepayments received recognised in debt	-24.051	0
	<b>-23.936</b>	<b>1.913</b>

Other provisions is related to losses for contract work in progress.

### 13 Deferred tax asset/ Provision for deferred tax

Fixed assets	15.112	-3.488
Current assets	48.816	39.061
Tax loss carry-forward	2.542	4.453
Debt	1.011	0
	<b>67.481</b>	<b>40.026</b>

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.

### 14 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:

	2023	2022
	TDKK	TDKK
After 5 years	20.193	31.731
Between 1 and 5 years	46.153	43.269
Long-term part	66.346	75.000
Within 1 year	8.654	0
	<b>75.000</b>	<b>75.000</b>



## Notes to the Annual Report

### 15 Equity

The share capital consists of 5.000 shares of a nominal amount of DKK 100. No shares carry any special rights.

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

	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
Share capital	500	500	500	500	500

### 16 Contingent assets, liabilities and other financial obligations

#### Parent Company

The Company's banks have at 31 December 2023 issued bank guarantees totalling DKK 25,694k towards the Company's customers and banks.

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 Company has issued a surety guarantee for MAKEEN Energy A/S, MAKEEN Gas Solutions A/S, House of MAKEEN Energy A/S and MAKEEN Prosupply ApS' engagement with banks for a total of DKK 385,089k.

### 17 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.

In 2023 the Company had no transactions with related parties, which are not on arm's length

#### Group Annual Report

The Company is included in the Group Annual Report for the parent company MAKEEN Energy A/S, Alsvej 21, 8940 Randers SV, Denmark.

### 18 Subsequent events

No events materially affecting the assessment of the financial position of the Company at 31 December 2023 have occurred after the balance sheet date.