
MFT Energy 6 ApS

Margrethepladsen 4, 3., DK-8000 Aarhus C

Annual Report for 2023

CVR No. 40 81 62 91

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 2/4 2024

Tore Høffner Andersen
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company information	4
Financial Highlights	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	8
Balance sheet 31 December	9
Statement of changes in equity	11
Notes to the Financial Statements	12

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of MFT Energy 6 ApS 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.

Aarhus C, 18 March 2024

Executive Board

Michael Lauritzen
CEO

Board of Directors

Bo Palmgren
Chairman

Michael Lauritzen

Jacob Vald Guldberg

Independent Auditor's report

To the shareholders of MFT Energy 6 ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's 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 MFT Energy 6 ApS 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.

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 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.

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.

Independent Auditor's report

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 in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Trekantområdet, 18 March 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Lasse Berg

State Authorised Public Accountant

mne35811

Company information

The Company	MFT Energy 6 ApS Margrethepladsen 4, 3. DK-8000 Aarhus C CVR No: 40 81 62 91 Financial period: 1 January - 31 December Municipality of reg. office: Aarhus
Board of Directors	Bo Palmgren, chairman Michael Lauritzen Jacob Vald Guldborg
Executive Board	Michael Lauritzen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle

Financial Highlights

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

	2023	2022	2021	2020	2019
	TEUR 12 months	TEUR 12 months	TEUR 12 months	TEUR 12 months	TEUR 3 months
Key figures					
Profit/loss					
Profit/loss of primary operations	37,053	466,893	24,058	749	-67
Profit/loss of financial income and expenses	-3,871	-446	-522	-51	0
Net profit/loss for the year	24,706	363,828	18,358	544	-52
Balance sheet					
Balance sheet total	123,058	493,690	25,414	983	28
Equity	113,397	368,691	18,857	499	-45
Number of employees	20	16	11	5	1
Ratios					
Return on assets	30.1%	94.6%	94.7%	76.2%	-239.3%
Solvency ratio	92.1%	74.7%	74.2%	50.8%	-160.7%
Return on equity	10.2%	187.8%	189.7%	239.6%	231.1%

Management's review

Key activities

The principal activity of the company is trading with commodities on behalf of entities.

Development in the year

The income statement of the Company for 2023 shows a profit of TEUR 24,706, and at 31 December 2023 the balance sheet of the Company shows a positive equity of TEUR 113,397.

The past year and follow-up on development expectations from last year

Considering the lower volatility in 2023 than expected, we are satisfied with the operating profit (EBIT) of EUR 37.1m achieved in 2023, despite expectations of EUR 80m. The target was prepared based on assumptions of higher level of volatility and traded volumes, but the conditions in the energy markets during the year resulted in a fairly low volatility level and therefore lower volumes of gas was traded throughout 2023, as the need for moving energy across Europe was lower than anticipated. This implied more limited trading opportunities, which were significantly fewer than in 2022.

Targets and expectations for the year ahead

Looking ahead towards 2024, uncertainties will persist. Geopolitical tensions, changing regulatory environments, and the ongoing shift towards sustainable energy sources present a dual challenge and opportunity for the Company. Despite these uncertainties, we remain focused on adapting swiftly and strategically to the evolving landscape, ensuring that we are well-positioned to seize opportunities and overcome challenges as they arise.

We expect that the general market conditions and volatility in 2024 will remain on a similar level to 2023. As a result, we expect an EBIT level between EUR 25m and EUR 48m.

Statement of corporate social responsibility, cf. section 99a of the Financial Statements Act

The statement of corporate social responsibility is included within the Annual report of the principal shareholder MFT Energy A/S (CVR No. 38 17 51 30).

Statement on gender composition, cf. section 99b of the Financial Statements Act

The Board of Directors consist of 3 males. Our target is to have minimum 1 female member of the board and at least 25% females in the board of directors by 2027. During the reporting year, there has been a turnover of 1 member in the board of directors, the management explored the market for potential candidates of the underrepresented gender with the right competencies, however, it didn't change the gender composition. We continue to work towards achieving the target.

Management's review

2023

Top management

Total number of members	3
Underrepresented gender %	0%
Target figure %	25%
Year for meeting target	2027

Other management levels

Total number of members	3
Underrepresented gender %	0%

The gender composition target in other management levels is not subject to be addressed in accordance with section 99(b)(4) of the Danish Financial Statements Act.

*As per Section 139c (1)(ii) and (iii) of the Danish Companies Act.

Statement on data ethics, cf. section 99d of the Financial Statements Act

The statement on data ethics is included within the Annual report of the principal shareholder MFT Energy A/S (CVR No. 38 17 51 30).

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
		TEUR	TEUR
Revenue	1	53,756	511,391
Expenses for raw materials and consumables		-11,224	-11,020
Other external expenses		-2,963	-3,196
Gross profit		39,569	497,175
Staff expenses	2	-2,516	-30,282
Profit/loss before financial income and expenses		37,053	466,893
Income from investments in subsidiaries		-835	0
Financial income	3	5,356	1,809
Financial expenses	4	-8,392	-2,255
Profit/loss before tax		33,182	466,447
Tax on profit/loss for the year	5	-8,476	-102,619
Net profit/loss for the year	6	24,706	363,828

Balance sheet 31 December

Assets

	Note	2023	2022
		TEUR	TEUR
Investments in subsidiaries	7	0	0
Receivables from group enterprises	8	123,003	493,642
Fixed asset investments		123,003	493,642
Fixed assets		123,003	493,642
Receivables from group enterprises		19	36
Other receivables		6	5
Receivables		25	41
Cash at bank and in hand		30	7
Current assets		55	48
Assets		123,058	493,690

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		TEUR	TEUR
Share capital	10	7	7
Retained earnings		113,390	368,684
Equity		113,397	368,691
Provisions relating to investments in group enterprises		688	0
Provisions		688	0
Payables to group enterprises		0	43
Corporation tax		8,476	102,619
Other payables		497	22,337
Short-term debt		8,973	124,999
Debt		8,973	124,999
Liabilities and equity		123,058	493,690
Contingent assets, liabilities and other financial obligations	11		
Related parties	12		
Fee to auditors appointed at the general meeting	13		
Accounting Policies	14		

Statement of changes in equity

	Share capital	Retained earnings	Total
	TEUR	TEUR	TEUR
Equity at 1 January	7	368,684	368,691
Extraordinary dividend paid	0	-280,000	-280,000
Net profit/loss for the year	0	24,706	24,706
Equity at 31 December	7	113,390	113,397

Notes to the Financial Statements

	2023	2022
	TEUR	TEUR
1. Revenue		
Geographical segments		
Europe	53,756	511,391
	<u>53,756</u>	<u>511,391</u>
Business segments		
Gas commodities	53,756	511,391
	<u>53,756</u>	<u>511,391</u>
	2023	2022
	TEUR	TEUR
2. Staff Expenses		
Wages and salaries	2,454	30,241
Pensions	40	25
Other social security expenses	22	16
	<u>2,516</u>	<u>30,282</u>
Including remuneration to the Executive Board and Board of Directors	<u>71</u>	<u>0</u>
Average number of employees	<u>20</u>	<u>16</u>
Remuneration to the Executive Board has not been disclosed in 2022 in accordance with section 98 B(3) of the Danish Financial Statements Act.		
	2023	2022
	TEUR	TEUR
3. Financial income		
Interest received from group enterprises	5,356	1,797
Other financial income	0	12
	<u>5,356</u>	<u>1,809</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	TEUR	TEUR
4. Financial expenses		
Interest paid to group enterprises	3,886	2,243
Other financial expenses	4,506	12
	<u>8,392</u>	<u>2,255</u>
	<u>2023</u>	<u>2022</u>
	TEUR	TEUR
5. Income tax expense		
Current tax for the year	8,476	102,619
	<u>8,476</u>	<u>102,619</u>
	<u>2023</u>	<u>2022</u>
	TEUR	TEUR
6. Profit allocation		
Extraordinary dividend paid	280,000	13,994
Retained earnings	-255,294	349,834
	<u>24,706</u>	<u>363,828</u>
Extraordinary dividend after year end	<u>0</u>	<u>150,000</u>

Notes to the Financial Statements

	2023	2022
	TEUR	TEUR
7. Investments in subsidiaries		
Cost at 1 January	0	0
Additions for the year	173	0
Disposals for the year	-26	0
Cost at 31 December	<u>147</u>	<u>0</u>
Net profit/loss for the year	<u>-835</u>	<u>0</u>
Value adjustments at 31 December	<u>-835</u>	<u>0</u>
Equity investments with negative net asset value transferred to provisions	<u>688</u>	<u>0</u>
Carrying amount at 31 December	<u>0</u>	<u>0</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership and Votes
MFT Energy 7 ApS	Aarhus	TEUR 5	85%

8. Other fixed asset investments

	Receivables from group enterprises
	TEUR
Cost at 1 January	493,642
Disposals for the year	<u>-370,639</u>
Cost at 31 December	<u>123,003</u>
Carrying amount at 31 December	<u>123,003</u>

Notes to the Financial Statements

2023	2022
TEUR	TEUR

9. Derivative financial instruments

The company enters into a number of derivative contracts related to commodities. As of 31 December 2023, some contracts are still open, awaiting the delivery date. These contracts are fair value adjusted on a daily basis, but due to an internal allocation agreement, the change in fair value is settled by the end of 31 December 2023. Therefore, no value is recognized on the balance sheet.

The derivative contracts have an open volume of 3.090 MWh and the latest delivery period is March 2025, The fair value is recognized as EUR 0.

10. Share capital

The share capital consists of 56,000 shares of a nominal value of TEUR 7. No shares carry any special rights.

11. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The 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 MFT Energy Holding ApS, which is the management company of the joint taxation purposes. Moreover, the 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.

The group companies are jointly and severally liable for VAT on the joint registration of VAT. MFT Energy A/S is the management company of the joint VAT purposes.

Notes to the Financial Statements

12. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
Controlling interest	
MFT Energy A/S	Principal shareholder

Transactions

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

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
MFT Energy Holding ApS	Margrethepladsen 4, 3. 8000 Aarhus C
MFT Energy A/S	Margrethepladsen 4, 3. 8000 Aarhus C

13. Fee to auditors appointed at the general meeting

With reference to section 96(3) of the Danish Financial Statements Act and to the note Fee to auditors appointed at the general meeting in the consolidated financial statements of MFT Energy A/S, the Company has not prepared the note separately.

Notes to the Financial Statements

14. Accounting policies

The Annual Report of MFT Energy 6 ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Financial Statements for 2023 are presented in TEUR.

Changes in accounting policies

During 2023, the Company's accounting policies were changed to be covered by the provisions of the Danish Financial Statements Act applying to large-sized enterprises of reporting class C. The change has only resulted in additional information in the annual report.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2023 of MFT Energy A/S, the Company has not prepared consolidated financial statements.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of MFT Energy A/S, the Company has not prepared a cash flow statement.

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.

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.

Segment information on revenue

Information on business segments and geographical segments is based on the Company's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Notes to the Financial Statements

Income statement

Revenue

Revenue from the sale of commodities on behalf of entities is recognised in the income statement if delivery and passing of risk on the underlying commodity to the buyer has taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

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

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.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans 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 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 Danish group companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries

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

The item "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 the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

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 the subsidiaries.

Notes to the Financial Statements

Subsidiaries with a negative net asset value are recognised at EUR 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Fixed asset investments consist of loans to group enterprises.

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.

Equity

Dividend

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

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.

Financial Highlights

Explanation of financial ratios

Return on assets	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$