



Piaster Revisorerne
vi giver bedre råd

Earthshine Holdings ApS

Vesterbrogade 26, 1620 København V

Company reg. no. 41 00 30 81

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 24 June 2024.

Michael Derek Townsend
Chairman of the meeting

Piaster Revisorerne, statsautoriseret revisionsaktieselskab
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Contents

	<u>Page</u>
Reports	
Management's statement	3
Practitioner's compilation report	4
Management's review	
Company information	5
Management's review	6
Financial statements 1 January - 31 December 2023	
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11
Accounting policies	12

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Managing Director has approved the annual report of Earthshine Holdings ApS for the financial year 1 January - 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

I consider the chosen accounting policy to be appropriate, and in my 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.

The Managing Director consider the conditions for audit exemption of the 2023 financial statements to be met.

Further, in my opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

København V, 24 June 2024

Managing Director

Michael Derek Townsend

Practitioner's compilation report

To the Management of Earthshine Holdings ApS

We have compiled the financial statements of Earthshine Holdings ApS for the financial year 1 January - 31 December 2023 based on the company's bookkeeping and on information you have provided.

These financial statements comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Alleroed, 24 June 2024

Piaster Revisorerne

Statsautoriseret Revisionsaktieselskab
Company reg. no. 25 16 00 37

Emil Lagstrøm

State Authorised Public Accountant
mne45851

Company information

The company

Earthshine Holdings ApS
Vesterbrogade 26
1620 København V

Company reg. no. 41 00 30 81

Financial year: 1 January - 31 December

Managing Director

Michael Derek Townsend

Management's review

Description of key activities of the company

Like previous years, the activity of the company is to own shares in group enterprises.

We established Earthshine Group (Ireland) as a trading entity, registered in Dublin, Ireland – this new company is expected to deliver a good level of contribution towards group profits in 2024.

Development in activities and financial matters

The result of the year is as expected, during a transition year for the Group.

We refer to description of changes in the accounting policies on page 12.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	-650	-6.380
Other financial expenses	-18	0
Pre-tax net profit or loss	-668	-6.380
Tax on net profit or loss for the year	-4.268	-12.826
Net profit or loss for the year	-4.936	-19.206
Proposed distribution of net profit:		
Allocated from retained earnings	-4.936	-19.206
Total allocations and transfers	-4.936	-19.206

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
Investments in group enterprises	40.750	40.000
Total investments	40.750	40.000
Total non-current assets	40.750	40.000
Current assets		
Deferred tax assets	0	4.268
Total receivables	0	4.268
Total current assets	0	4.268
Total assets	40.750	44.268

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	40.000	40.000
Retained earnings	-20.041	-15.105
Total equity	<u>19.959</u>	<u>24.895</u>
Liabilities other than provisions		
Bank loans	366	298
Trade payables	8.750	8.750
Payables to group enterprises	11.675	10.325
Total short term liabilities other than provisions	<u>20.791</u>	<u>19.373</u>
Total liabilities other than provisions	<u>20.791</u>	<u>19.373</u>
Total equity and liabilities	<u>40.750</u>	<u>44.268</u>

1 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2022	40.000	4.101	44.101
Retained earnings for the year	0	-19.206	-19.206
Equity 1 January 2023	40.000	-15.105	24.895
Retained earnings for the year	0	-4.936	-4.936
	40.000	-20.041	19.959

Notes

All amounts in DKK.

1. Contingencies

Contingent liabilities

The company has issued a letter of support to the Danish subsidiary Earthshine Group ApS stating that the company will support Earthshine Group ApS financially with sufficient cash to meet its liabilities up to at least 1 January 2025.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Accounting policies

The annual report for Earthshine Holdings ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Changes in the accounting policies

There have been changes in the accounting policies regarding the recognition of investment in group enterprises. From this year the investment in group enterprises will be recognised and measured at cost. The change has been incorporated into the 2023 annual report and has had the following consequences for the accounting figures of 2023 and 2022:

- Income from investments in group enterprises: -25 t.kr. (2022: -19 t.kr.)
- Net profit or loss before and after tax: -25 t.kr. (2022: -19 t.kr.)
- Investments in group enterprises: +36 t.kr. (2022: +36 t.kr.)
- Total equity: +36 t.kr. (2022: +36 t.kr.)
- Total balance: +36 t.kr. (2022: +36 t.kr.)

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Accounting policies

Income statement

Gross loss

Gross loss comprises other external costs.

Other external costs comprise expenses incurred for administration.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in group enterprises

Dividend from investments in group enterprises is recognised in the financial year in which the dividend is declared.

If the dividend received exceeds the proportionate share of the year's result, this is considered an indication of impairment, which entails a requirement to prepare an impairment test.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Investments

Investments in group enterprises

Investments in group enterprises are recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

Accounting policies

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Income tax and deferred tax

As administration company, Earthshine Holdings ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

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Michael Derek Townsend (CPR valideret)

Direktør

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Michael Derek Townsend (CPR valideret)

Dirigent

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Emil Lagstrøm

PIASTER REVISORERNE, STATS-AUTORISERET REVISIONSAKTIESELSKAB

CVR: 25160037

Revisor

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