

# **MAKEEN ProSupply ApS**

**Alsvej 21**

**DK-8940 Randers SV**

**CVR no 41 24 63 32**

## **Annual Report for 2022**

The Annual Report has been presented  
and adopted at the Annual General  
Meeting of the Company on 29 June  
2023



**Chairman Anders C. Anderson**

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## Management's Statement on the Annual Report

The Executive and Supervisory Boards have today considered and adopted the Annual Report of MAKEEN ProSupply ApS for the financial year 1 January 2021 – 31 December 2022.

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

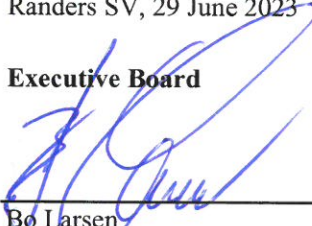
In our opinion, the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and the Group and of the results of the Company and Group operations and consolidated cash flows for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.


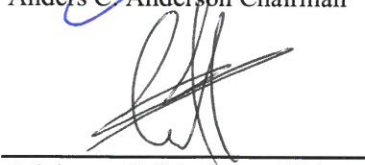
We recommend that the Annual Report be adopted at the Annual General Meeting.

Randers SV, 29 June 2023

### Executive Board

  
\_\_\_\_\_  
Bo Larsen  
CEO

### Supervisory Board

  
\_\_\_\_\_  
Anders C. Anderson Chairman  
\_\_\_\_\_  
Mads Bach Christensen  
\_\_\_\_\_  
Søren Mikkelsen  
\_\_\_\_\_  
Sulaiman Abdulrahman Alkharraz

# **Independent Auditors' report**

**To the Shareholder of MAKEEN ProSupply ApS**

## **Opinion**

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of MAKEEN Prosupply ApS for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("financial statements").

## **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' 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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.



# **Independent Auditors' report**

## **Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

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

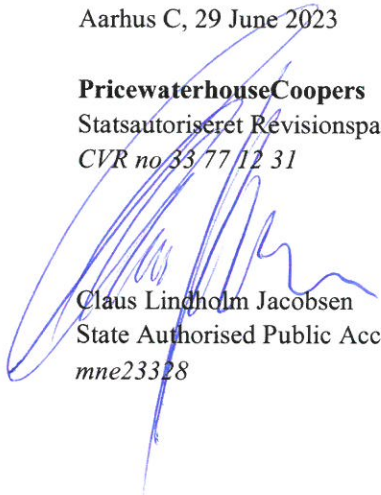
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aarhus C, 29 June 2023

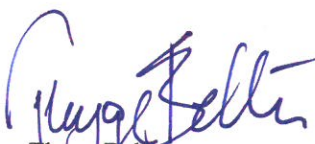
### **PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR no 33 77 12 31



Claus Lindholm Jacobsen  
State Authorised Public Accountant  
mne23328



Thyge Belter  
State Authorised Public Accountant  
mne30222

## Company information

### The Company

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DK-8940 Randers SV

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Website: [www.makeenenergy.com](http://www.makeenenergy.com)

CVR no 41 24 63 32  
Financial period: 1 January - 31 December  
Financial year: 3  
Municipality of reg. office: Randers

### Supervisory Board

Anders C. Anderson (chairman)  
Mads Bach Christensen  
Søren Mikkelsen  
Sulaiman Abdulrahman Alkharraz

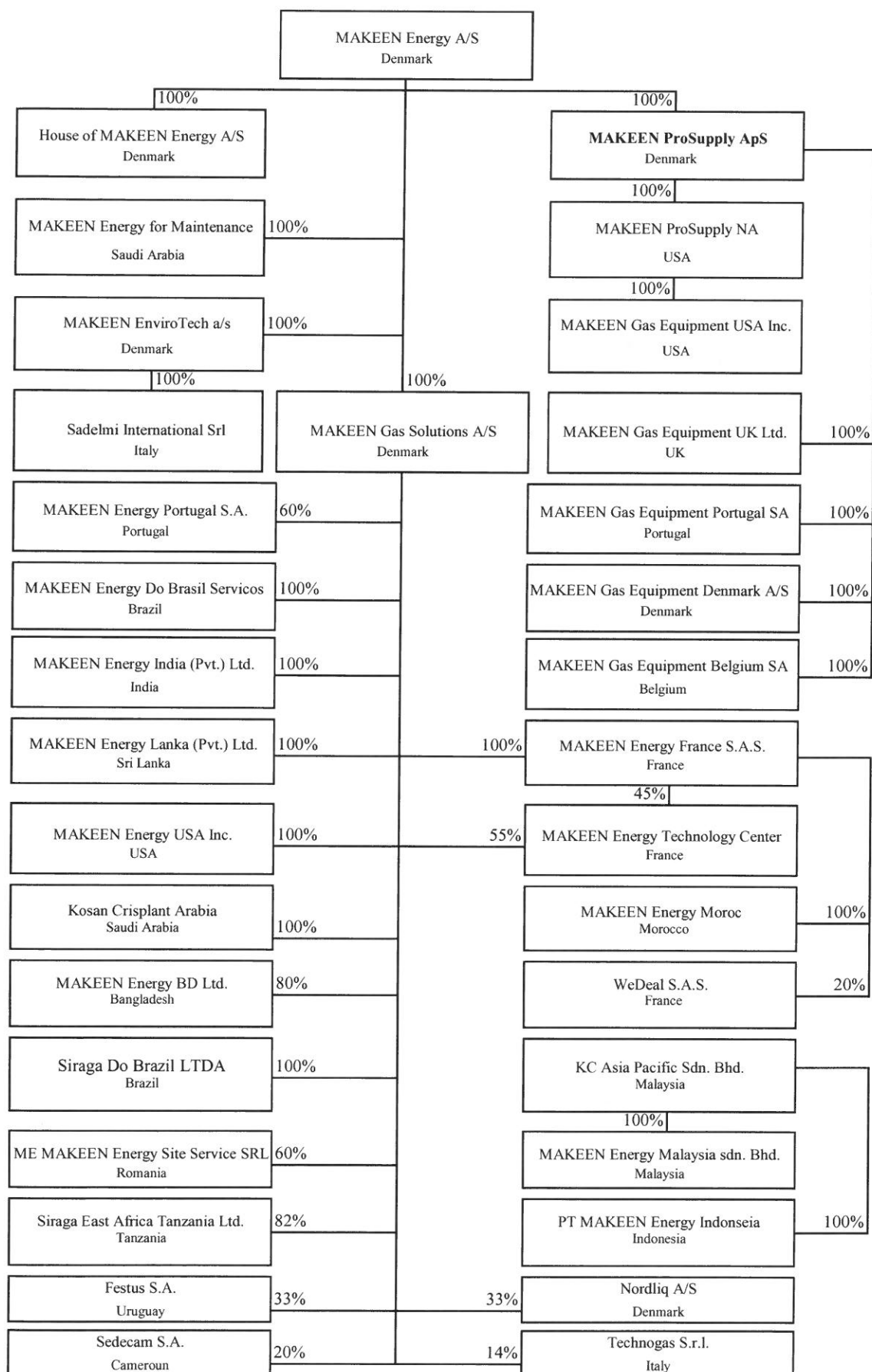
### Executive Board

Bo Larsen

### Auditors

PricewaterhouseCoopers  
Nobelparken  
Jens Chr. Skous Vej 1  
DK-8000 Aarhus C

## Group Overview



## Financial Highlights

	Group		
	2022	2021	2020
	DKK mio.	DKK mio.	DKK mio.
<b>Key figures</b>			
<b>Profit/loss</b>			
Revenue	747,1	553,1	310,7
Gross profit/loss	198,3	140,7	71,7
EBITDA	77,5	53,0	14,9
EBITA	77,1	50,5	14,8
Profit/loss before financial income and expenses	67,1	41,2	5,4
Net financials	-10,6	-10,5	-6,2
Net profit/loss for the year	42,0	22,2	-0,8
<b>Balance sheet</b>			
Balance sheet total	361,6	311,0	238,7
Investment in property, plant and equipment	6,8	1,9	0,0
Equity total	71,5	25,9	-0,8
Average number of employees	146	131	68
<b>Ratios</b>			
Gross margin	26,5%	25,4%	23,1%
EBITDA margin	10,4%	9,6%	4,8%
EBITA margin	10,3%	9,1%	4,8%
Profit margin	9,0%	7,5%	1,7%
Return on assets	18,6%	13,3%	2,3%
Solvency ratio	19,8%	8,3%	-0,3%
Return on equity	86,4%	177,6%	-800,0%

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

## **Management's Review**

### **Main activities**

MAKEEN ProSupply ApS is through the ownership of MAKEEN Gas Equipment entities a global market supplier of components for all kinds of gases and ammonia NH<sub>3</sub> as well as equipment for boiler and heat exchanger production.

### **Development during the Year**

The result before tax for the year is a profit of DKK 56.5 million versus DKK 30.7 million in 2021. The result is better than expected at the beginning of the year, primarily driven by large increase in activity and sales in the European and US-market.

The sale of the Group's products continued to develop positively throughout 2022 showing an even better potential for the years to come. The result is achieved based on continuous focus on acquisition of relevant activities, development of strategic business segments, cost price reductions, improvement of product mix and introduction of new products.

During the financial year the Group has continued its investments through the acquisition of MAKEEN Gas Equipment Belgium (former known as Krocgh Equipment) with effect from 31 March 2022. The current organisation, combined with more acquisitions, ensures the Group a strong position to continuously benefit from the improvement of the market situation, which is expected to continue in the coming year.

### **Special Risks**

#### ***Macro-economic and Political Conditions***

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

#### ***Credit and Liquidity Risks***

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

#### ***Foreign Exchange Risks***

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

## Management's Review

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

Through its parent company MAKEEN Energy A/S, the Group is included in the below business model.

#### *MAKEEN Energy's business model*

"MAKEEN Energy is a global, market-leading corporation in the energy industry, comprising three distinct business units. Our first business unit is dedicated to developing cutting-edge solutions for LPG cylinder filling plants, ensuring safe and efficient operations in the LPG industry. We leverage our expertise to provide innovative technologies that meet the evolving needs of this sector.

The second business unit, MAKEEN EnviroTech, focuses on sustainability and environmental solutions. Within this unit, we develop and implement forward-thinking technologies like our Plastcon solution, addressing pressing environmental challenges and contributing to a more sustainable future.

Additionally, our third business unit is a trading unit specializing in providing products for the gas industry. Leveraging our extensive network and industry knowledge, we offer a wide range of high-quality products to meet the diverse demands of the gas market.

With 25 offices spread across the globe, MAKEEN Energy has established a strong international presence. We employ over 3500 talented professionals who are committed to delivering excellence in their respective roles. Our customer base spans 141 countries, and our average customer relationship spans an impressive 26 years. Our average portfolio consists of around 400 projects, demonstrating our commitment to continuous growth and development.

MAKEEN Energy remains resolute in our mission to drive the sustainable transformation of the energy market. We empower our partners to embrace the energy market of tomorrow while bridging the gaps between present and future energy supply. Through our three business units and a culture of innovation, we are well-positioned to make a meaningful difference for people and the planet.

By embracing responsible energy solutions, enabling innovation, and fostering strong relationships, MAKEEN Energy continues to be at the forefront of shaping the energy industry's future."

#### *Anti-corruption and bribery*

MAKEEN Energy operates in over 141 countries, including regions identified as having a high risk of corruption according to the Corruption Perception Index by Transparency International. These areas exhibit a competitive environment with a potential for improper demands or actions that contradict our company policies.

Throughout our history, we have taken pride in not engaging in corrupt practices and have remained steadfast in our commitment to conducting business ethically. We firmly reject any involvement in activities that rely on improper payments or illegal means to solve problems. Instead, we believe in establishing a business based on strong values, integrity, high moral standards, and the importance of a fair market free from bribery and corruption.

## Management's Review

Anti-corruption is an integral part of our core values, and as such, we have proudly joined the UN Global Compact. We have also implemented Key Performance Indicators (KPIs) to ensure our adherence to ethical standards and continuously strengthen our resilience against improper payments and illegal business practices.

### *Risks related to corruption*

While we acknowledge that our activities come with potential challenges, we have identified the following risks in relation to anti-corruption within our business:

- Monetary penalties resulting from legal violations.
- Negative impact on our reputation among suppliers, customers, employees, and other stakeholders.
- Non-compliance with our corporate purpose of developing responsible energy solutions for the betterment of people and the planet.
- Failure to adhere to the prescribed practices outlined in our anti-corruption training.

### *Actions to mitigate risks associated with corruption*

By proactively addressing these risks and maintaining our commitment to ethical conduct, MAKEEN Energy strives to uphold our reputation, fulfil our corporate purpose, and contribute to a sustainable and transparent energy market. In the sections below the actions taken is described.

### *Global anti-corruption training course*

As part of our comprehensive approach, we have implemented a new anti-corruption training course on our updated learning platform, which is now included in our mandatory onboarding package on a global scale.

By integrating this training into our onboarding process, we ensure that every new employee is equipped with the knowledge and understanding of our company's commitment to ethical conduct and the prevention of corruption. This initiative demonstrates our dedication to cultivating a strong culture of integrity and compliance throughout the organization.

### *MAKEEN Energy's Policy/Code of conduct - Anti*

Continuous focus on our code of conduct and the implementation of the below policies that is a part of the code of conduct.

- MAKEEN Energy does not in any way accept the use of corruptive means and will not accept that any of our employees or third parties such as agents, consultants or partners engage in corruptive activities.
- At MAKEEN Energy, we consider any kind of corruption to be morally wrong and unacceptable. We realise that corruption can occur in several different ways, and we do not accept any kind of corruption. Considering our business and the industry we are operating in, we will in this code of conduct highlight 3 particularly relevant types of corruption: bribery, facilitation payments and extortion.



## Management's Review

- MAKEEN Energy will neither receive nor pay/give bribes and will not accept that any of our employees receive or pay/give bribes. Moreover, we will not accept that any third parties such as agents, consultants or partners receive or pay/give bribes. Due to the industry, we operate in, we believe that it is relevant to stress that we, naturally, do not accept kickbacks either. A kickback is defined as a pre-agreed bribe, and we will never accept receiving or paying/giving kickbacks.
- MAKEEN Energy will neither make nor receive facilitation payments and will not accept that any of our employees make/receive facilitation payments. Moreover, we will not accept that any third parties such as agents, consultants, or partners make/receive facilitation payments. Oftentimes, it is possible to avoid facilitation payments by being familiar with local legislation and planning. When you know the setup and culture you will be working in and take expected delays into account, it is much easier to plan and go through projects without risking situations that could lead to facilitation payments.

### *Whistle-blower service – 3rd line of protection*

To reinforce our commitment to combating corruption, MAKEEN Energy recognizes the significant role of our whistle-blower service. Over the past years, we have provided all employees with the opportunity to utilize an external whistle-blower service as part of our comprehensive approach. In 2021, we globally promoted this service, leading to increased utilization and a strong commitment from all levels of management. Sharing information about the whistle-blower service has been prioritized as a key responsibility for management, and this focus will continue in the future.

In 2022, our key performance indicator (KPI) was centred around further strengthening the whistle-blower service. Therefore, we have made the decision to extend our service.

As part of our commitment to transparency, we launched a new website in 2022, which includes a re-launch of our external communications activities. Notably, we now actively promote our whistle-blower service as an open and accessible tool in our fight against corruption.

In practice, this means that anyone, including external parties, can use our whistle-blower service. All inquiries received will be handled with the utmost care and confidentiality by our trusted external partner.

By expanding the visibility of our whistle-blower service, we aim to foster a culture of integrity and encourage individuals to come forward with any concerns or suspicions of corruption. The service acts as an essential mechanism for reporting and addressing potential misconduct, ensuring that every member of the MAKEEN Energy community can contribute to the fight against corruption.

Through these proactive measures, we demonstrate our unwavering dedication to upholding high ethical standards and maintaining a work environment free from corrupt practices. The whistle-blower service at MAKEEN Energy plays a vital role in strengthening our collective resilience against corruption and protecting our company's reputation as a responsible global energy leader.

## Management's Review

### *KPI's related to Anti-corruption*

2022 Target	2022 Result	2023 Target
All new leaders and employees associated with business practice (internally promoted and externally hired) are required to take the training.	In 2022 we did not complete the number Anti-corruption training sessions we expected as our new learning platform was delayed.	All leaders and employees are required to complete the anti-corruption training session available on the updated learning platform.
	New Initiative in 2023	By the end of this year, it should be mandatory for all new employees at MAKEEN Energy to complete our updated digital Anti-Corruption training program.
	New Initiative in 2023	Ensure a strong Implementation of the Code of Conduct with the agents.
External promoting the whistle-blower service	Completed	Promoting to be continued on the MAKEEN Energy web page and plan how to add additional promotion of the whistle-blower service towards our suppliers.

### *Respecting human rights*

MAKEEN Energy is committed to supporting, respecting, and promoting internationally proclaimed human rights. As a global corporation, we understand our responsibility towards our employees and the individuals impacted by our products.

To ensure the effective management of our human rights efforts, we have established a dedicated CSR Committee. This committee oversees the implementation and reporting of our Key Performance Indicators (KPIs) related to our engagement with the UN Global Compact. Furthermore, the committee ensures that MAKEEN Energy does not contribute to any form of human rights violations.

## Management's Review

### *Risks related to human rights*

Human rights risks are inherent in our business activities, and we acknowledge these challenges. The following risks within the realm of human rights have been identified,

- Potential monetary penalties due to legal violations.
- Negative impact on our reputation among suppliers, customers, employees, and other stakeholders.
- Non-compliance with MAKEEN Energy's Code of Conduct.

### *Action to address the risks related to human rights*

To address these risks and fulfil our commitment to human rights, we have established KPIs that focus on strengthening our efforts in this area.

At MAKEEN Energy, we firmly believe in upholding the principles of human rights for all individuals involved in our activities. We recognize that our responsibilities extend beyond business operations and encompass the well-being and dignity of every person affected by our actions.

By actively addressing human rights concerns, we aim to safeguard the rights of individuals, maintain our reputation as a responsible corporate citizen, and fulfil our corporate purpose of developing sustainable energy solutions that benefit people and the planet.

### *MAKEEN Energy's Policy/Code of conduct – Human rights*

Continuous focus on our code of conduct and the implementation of the below policies that is a part of the code of conduct.

- MAKEEN Energy respects and protects the internationally proclaimed human rights, and we require all our employees and third parties acting on our behalf to do the same. We are committed to complying with the UN International Bill of Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. And as a member of the UN Global Compact, we respect and protect human rights as a part of a sustainable business model.
- At MAKEEN Energy, we consider any kind of human rights violation to be morally wrong and unacceptable – whether it happens knowingly or unknowingly. Besides protecting human rights within our own organisation, we also strive to ensure that our suppliers and sub-suppliers are compliant with the abovementioned international regulations and standards.
- If we know of any human rights violations among suppliers or sub-suppliers, we will act right away. The action will depend on the violation, but generally we believe that both they and we would benefit from constructive guidance to ensure compliance with the international regulations and standards in the future.

### *Implementing our code of conduct in our supply chain*

MAKEEN Energy have actively been working on ensuring ethical practices and human rights compliance within your supply chain. This is done by implementing a risk assessment process identifying the suppliers and third parties that are in risk of not complying the MAKEEN Energy Code of Conduct based on parameters such as geography and industry.

## Management's Review

To further enhance our efforts, we plan to automate the process of notifying new suppliers and third parties, requesting them comply with our Suppliers Code of conduct. This setup will be integrated into our ERP system to ensure efficient communication and documentation.

The planned audits of our supply were not completed in 2022 but will be completed in 2023. The aim is to assess and verify the compliance of your suppliers and third parties with the established human rights standards. By completing these audits, we will gain a clearer understanding of the existing gaps and areas for improvement.

Furthermore, your organization aims to increase the number of signatories among current suppliers and third parties. By striving to achieve a 50 % sign rate among all suppliers and external stakeholders by the end of 2023.

By taking these actions, we demonstrate a proactive approach to addressing human rights concerns and promoting ethical practices within our organization and supply chain.

### *KPI's related to the human rights*

2022 Target	2022 Result	2023 Target
We are raising the signatory target among suppliers and external stakeholders to 40%.	We achieved 15 %	The Target is that 50 % of our main suppliers should be committed to ensure that the Human Rights are respected in their supply chain
Further, we are setting up an audit team and we will conduct 3 audits.	Not Achieved – same target for 2023	Conduct audits supplier audits at suppliers that are placed in areas that are assessed as having a high risk of not complying with MAKEEN Energy's Code of Conduct.
	New Initiative in 2023	Create internal training course about Human rights

### *Environment and Climate*

Over the past few years, MAKEEN Energy has undergone a significant reorientation as a company. With a long-standing reputation as industry leaders in LPG cylinder filling for more than half a century, we have now established a stable, reliable, and expanding business. This provides us with a strong foundation to embark on bold research, development, and investments.

## Management's Review

As our owners, board, and global directors have explored opportunities to leverage our decades of experience in gas handling for the benefit of society and the environment, addressing the critical issue of plastic waste emerged as a solution that aligns with our expertise. By successfully utilizing pyrolysis technology to chemically recycle materials, we are well-positioned to offer solutions for future circular economies.

This extends beyond plastics to encompass the wind industry, composite manufacturers, and other sectors. In addition to pyrolysis, our experience in liquefaction enables us to provide various other environmentally friendly Bio-gas solutions that will play a significant role in the transition into sustainable energy sources.

Committed to maximizing our positive impact on the environment, our approach is guided by the principles and requirements outlined in the ISO 14001:2015 standard having 2 of our entities certified according to the above-mentioned standard. We also adhere to national regulations and consider customer criteria in our operations.

### ***Risks related to Environment and climate***

However, our environmental efforts are not without challenges, and within the environmental domain, we have identified the following risks:

- Failing to meet the increasing demand for sustainable energy solutions.
- Not being ready to comply with the EU directive 2022/2464 - Corporate Sustainability Reporting Directive (CSRD).
- Insufficient business development to support our environmental objectives.
- Potential monetary penalties resulting from legal violations.
- Negative impact on our reputation among suppliers, customers, employees, and other stakeholders.
- Non-compliance with our corporate purpose of developing responsible energy solutions for the betterment of people and the planet.

Recognizing the need for continuous improvement, we are determined to further enhance our environmental initiatives.

This year, we are following up on our Key Performance Indicator from the previous year which focuses on scaling up our commitment to invest in environmentally friendly technology. These efforts reflect our dedication to developing responsible energy solutions and driving positive change for the environment.

### ***Actions to mitigate risks associated with Environment and Climate***

The 3 steps outlined below are action that constitutes the MAKEEN Energy 2026 plan for being ready to comply with EU directive 2022/2464 - Corporate Sustainability Reporting Directive (CSRD). Taking those steps will contribute to ensure that MAKEEN Energy is going to reduce the environmental footprints that comes from the business.

## Management's Review

### *Phase 1 – Make Baseline Assessment*

The baseline assessment we have outlined focuses on evaluating the existing sustainability reporting process, internal controls, and governance within our organization.

It also involves considering the auditor's perspective on materiality and the key performance indicators (KPIs) currently in place. Additionally, benchmarking with industry peers, conducting interviews with internal stakeholders, and mapping out the global supply chain using the double materiality concept are important components of this assessment.

Here's a breakdown of each step in the baseline assessment process:

#### *(Re)assess existing sustainability reporting process:*

This involves reviewing MAKEEN Energy's current sustainability reporting process, including the methodologies used, data collection and analysis procedures, reporting standards followed, and the overall governance structure. The goal is to gain a comprehensive understanding of the existing process.

#### *Consider auditor's perspective on materiality:*

Assess how we determine materiality, i.e., the significance of sustainability issues to stakeholders. Understanding the auditor's perspective will help ensure that the materiality process aligns with established standards and best practices.

#### *Assess baseline and benchmark with industry peers:*

Evaluate the MAKEEN Energy's current sustainability performance and compare it to selected industry peers. This benchmarking exercise provides insights into how the organization is performing relative to others in the industry and identifies areas for improvement.

#### *Conduct interviews with key internal stakeholders:*

Engage with relevant individuals within our organization, such as sustainability managers, data analysts, and finance personnel, to understand the existing data management process. This includes assessing how data is designed, captured, recorded, calculated, and compiled for sustainability reporting purposes.

#### *Map out global supply chain and assess sustainability topics:*

Gain a comprehensive understanding of the MAKEEN Energy's global supply chain and identify sustainability topics relevant to the business. Applying the double materiality concept, which considers both the external impact of the organization and the organization's dependency on external factors, helps identify key areas of focus for sustainability efforts.

By completing these steps, the organization can establish a baseline understanding of its sustainability reporting process, identify areas for improvement, compare its performance to industry peers, and gain insights into managing sustainability data effectively. This baseline assessment sets the stage for developing a robust sustainability strategy and reporting framework moving forward.

## Management's Review

### *Phase 2 - Getting assurance ready/compliant*

To prepare for assurance activities related to sustainability reporting, the following steps are outlined.

#### *Regulation overview:*

Conduct a thorough review of relevant regulatory obligations to identify which ones will come into force and when. Stay updated on new and upcoming regulations at the local, regional, and international levels that impact sustainability reporting. This scan helps us to ensure compliance and informs reporting practices.

#### *Training plan for key employees on EU regulations:*

Identify key employees responsible for sustainability reporting and ensure they receive appropriate training on EU regulations. This training should cover the specific requirements, methodologies, reporting standards, and disclosure obligations outlined in the regulations.

#### *Create a matrix per strategic KPI on assurance requirements:*

Develop a matrix that outlines the requirements for limited and reasonable assurance for each strategic Key Performance Indicator (KPI). This matrix should clearly specify the data, metrics, and information needed to provide assurance on each KPI, as well as the level of assurance required.

#### *Analyse the existing carbon reporting process:*

Evaluate the MAKEEN Energy's existing carbon reporting process, including data collection, calculation methodologies, and reporting procedures. Assess the effectiveness and accuracy of the process and determine if it can be replicated for other KPIs or expanded to cover additional sustainability metrics beyond carbon.

#### *Investigate the feasibility of replicating the carbon reporting process:*

Determine if the existing carbon reporting process if any can be extended or adapted to cover other KPIs. Assess whether the methodologies, data collection procedures, and reporting frameworks used for carbon reporting are suitable for other sustainability metrics. Identify any necessary modifications or enhancements needed to ensure consistency and accuracy.

#### *Implement internal control framework on non-financial information:*

Establish an internal control framework specifically designed for non-financial information, including sustainability data. This framework should incorporate processes and controls to ensure the reliability, accuracy, and completeness of non-financial data, as well as the integrity of the reporting process. It should include data validation, verification, documentation, and review procedures.

By completing these steps, MAKEEN Energy can ensure compliance with regulatory obligations, provide appropriate training to key employees, establish assurance requirements for each strategic KPI, evaluate the feasibility of replicating the carbon reporting process for other metrics, and implement internal controls for non-financial information. These actions contribute to building a robust framework for assurance readiness in sustainability reporting.



## Management's Review

### *Phase 3 - Create a roadmap*

To create a roadmap for getting assurance ready in sustainability reporting, the following steps need to be taken.

#### *Engage key internal stakeholders:*

Collaborate with key internal stakeholders, such as sustainability managers, finance personnel, auditors, and data analysts, to develop an actionable roadmap. Involve these stakeholders in the process to ensure their expertise and perspectives are considered.

#### *Establish a taxonomy mapping and governance plan:*

Develop a taxonomy mapping that provides a clear and consistent framework for organizing sustainability data and reporting elements. This helps ensure data accuracy, comparability, and transparency. Additionally, create a governance plan that outlines the roles, responsibilities, and decision-making processes related to sustainability reporting and assurance.

#### *Design a data management framework:*

Develop a comprehensive data management framework that covers the entire data lifecycle, from data collection to reporting. This framework should address data quality, data validation, data storage, and data security. It should also incorporate processes for data aggregation, consolidation, and normalization to facilitate accurate and reliable reporting.

#### *Provide insights on required audit documentation:*

Work closely with auditors to gain insights into the specific audit documentation requirements for sustainability reporting. Understand the expectations regarding evidence, testing, and documentation of sustainability data and related internal controls. This collaboration ensures alignment between the reporting process and audit requirements.

#### *Consider digital solutions:*

Explore digital solutions that can enhance data management, internal controls, and reporting efficiency. Digital tools and platforms can streamline data collection, automate data validation processes, improve internal controls, and generate valuable insights. Evaluate available software or technology solutions that can support reliable ESG reporting and facilitate the assurance process.

#### *Incorporate limited and reasonable assurance:*

Develop a phased approach for assurance readiness, starting with limited assurance and eventually progressing towards reasonable assurance. Clearly define the criteria, metrics, and processes for each level of assurance. This staged approach allows for continuous improvement and builds confidence in the accuracy and reliability of sustainability reporting.

By following this roadmap, the MAKEEN Energy can engage key stakeholders, establish a governance plan, design a data management framework, gain insights on audit requirements, and leverage digital solutions.



## Management's Review

This comprehensive approach ensures a systematic and efficient journey towards achieving reliable ESG (sustainability) reporting and readiness for assurance activities.

### *MAKEEN Energy's Policy/Code of conduct Environmental*

Inevitably, the activities of MAKEEN Energy involve and affect the communities and places where we operate. However, we are dedicated to making our influence on people and planet as positive as possible. Therefore, we continually look for ways to reduce adverse environmental impact and use the resources more efficiently. The principles and requirements of the ISO 14001 standard, combined with national and customer criteria, are the starting point for our wide range of environmental initiatives. Our approach to environmental issues Protecting the environment is in the heart of our business. As our purpose states, we provide responsible energy solutions for people and planet.

Our global environmental management system ensures that we align our environmental efforts across all our locations around the world. Our Group Quality Committee manages the system itself while functional management teams handle the local implementation of initiatives and requirements.

### *KPI's related to Environment and Climate*

2022 Target	2022 Result	2023 Target
Scale up our investments in environmentally friendly technology through our EnviroTech department.	Completed	To be continued in 2023 investing in PlastCon and liquefaction of Biogas.
Further strengthen our support for digital meetings and less travel activity across our organization.	Not achieved	Not continued
Enhance our EV infrastructure.	Not achieved	No explicit plans in 2023
Continue our effort to locally reduce CO2 emissions.	Not achieved	Will be covered by below KPI
	New target for 2023	Complete the first steps under phase 1 – Create the baseline assessment

### *Labour*

As a global company with a widespread presence and numerous employees, MAKEEN Energy recognizes the importance of addressing the challenges and responsibilities associated with the working environment both within our organization and throughout our supply chain. As a market-leading corporation in the LPG cylinder filling industry, we understand the complexities of managing a global ecosystem of subcontractors and suppliers, which can sometimes make it difficult to ensure consistent adherence to standards.

We are committed to complying with both local and international requirements concerning working conditions. Moreover, we continuously assess and refine our methods, processes, and systems to identify and prevent potential risks while also seeking opportunities for improvement.

## Management's Review

Our efforts, in conjunction with our environmental policy, are all aimed at safeguarding the health, safety, and well-being of our employees. At MAKEEN Energy, we firmly believe in upholding the freedom of association and the right to collective bargaining for all our employees. We consider these rights as fundamental and mutually beneficial.

### *Risks related to Labour*

However, engaging with people presents its own set of challenges, and within the realm of labour, we have identified the following risks:

- Potential monetary penalties due to legal violations.
- Work-related accidents and near-misses involving our employees.
- Negative impact on our reputation among suppliers, customers, employees, and other stakeholders.
- Difficulties in attracting and retaining skilled labour.
- Non-compliance with our corporate purpose of developing responsible energy solutions for the betterment of people and the planet.

Our employees are our most asset, and we are fully dedicated to providing them with optimal working conditions. On the following page, you will find five previously established Key Performance Indicators (KPIs) that we have implemented to ensure just that. The overview provides a comprehensive report on our progress in meeting these KPIs. It is important to note that this year, we have merged one of our KPIs, which involved auditing external suppliers for the use of forced or child labour, with KPI 1, which focuses on auditing external suppliers for adherence to our code of conduct.

At MAKEEN Energy, we strive to create a work environment that fosters the well-being, safety, and satisfaction of our employees. We remain steadfast in our commitment to developing responsible energy solutions while promoting labour practices that align with our corporate values.

### *Actions to mitigate risks associated with Labour*

Throughout the reporting period, we have implemented various initiatives to promote employee engagement, health, and work-life balance. We offered health checks, conducted training courses on first aid, and organized stress coaching sessions. Our commitment to employee well-being extends further as we provide access to specialists and resources to support their mental health needs.

Additionally, we organize social events and sports activities within different groups, such as the MAKEEN Young Professionals, MAQUEENS, MAKEEN Cycling club, and our football team MAKEEN Energy United, aiming at providing an enhanced working environment for our employees.

Professional development is a priority at MAKEEN Energy. We value continuous learning and growth opportunities for our employees. To that end, we introduced Personal Development Talks (PDTs), where employees engage in constructive conversations with their direct reports to discuss individual growth, career aspirations, and receive performance feedback. Furthermore, we have taken a significant step by developing the MAKEEN Academy, an e-learning platform (launched by the end of May 2023). This platform will provide equal access to learning resources and training modules, empowering our employees to enhance their skills and knowledge.

## Management's Review

In line with our commitment to fair employment practices, we adhere to applicable labor laws and regulations. We promote equal opportunities, non-discrimination, and respect for workers' rights. Our open channels of communication encourage employee participation and feedback in decision-making processes, fostering a culture of transparency and inclusivity.

Health and safety remain of greatest importance within our organization. We have implemented comprehensive programs, protocols, and regular training to ensure a safe working environment for all employees. Our ongoing efforts aim to continuously improve our safety performance and reduce occupational hazards.

We will continue to prioritize the well-being, professional growth, and safety of our employees, ensuring a thriving workplace that nurtures their potential and contributes positively to society.

### ***MAKEEN Energy's Policy/Code of conduct - Labour***

Implementation of our Code of Conduct described below is one of the actions taken by MAKEEN Energy to mitigate the risk related to labour.

MAKEEN Energy strives to provide a healthy and safe working environment for everyone who is involved in our activities. As an international organisation, we have employees all over the world, and our health and safety policy apply to everyone within our organisation, including agents, consultants, or partners. We are committed to supporting the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work as well as the UN Global Compact that both set a high standard for working environments.

To strengthen our efforts, we use our health and safety policy and our global health and safety management system to help ensure a good physical working environment for everyone who is part of MAKEEN Energy. In terms of psychosocial working environment, it is important to stress that we do not tolerate any kind of discrimination or harassment of neither employees nor third parties such as agents, consultants, or partners.

### ***Training in non-discrimination***

MAKEEN Energy management on a global level has undergone value-based leadership training in 2022. Although the establishment of a setup for continuous training has not been completed yet, MAKEEN Energy is including it as part of the KPI for 2023.

It means that MAKEEN Energy will roll out the non-discrimination training program to all employees and ensuring that every employee has access to the training and the necessary resources to complete it. Using the updated training platform MAKEEN Energy is going track and monitoring the employee progress.

### ***Ensuring safety and preventing accidents***

To further enhance our efforts and promote incident reporting MAKEEN Energy will address the challenges in measuring and quantifying the usage of the system and the reporting of all incidents.

## Management's Review

To strengthen our focus on incident reporting and maintain MAKEEN Energy is planning to take the following actions.

- Increase awareness among employees about the importance of incident reporting.
- Engage managers at all levels and make them accountable for incident reporting within their teams. Train managers on the reporting system, its purpose, and the importance of timely and accurate reporting. Encourage them to actively promote a culture of reporting, address any barriers or concerns raised by employees, and ensure a supportive environment for incident reporting.
- Provide regular training and educational programs on incident reporting, including the proper identification, documentation, and reporting procedures.
- Reinforce the understanding that near-misses and minor incidents are valuable indicators of potential hazards.
- Continuously analyze the reported incidents and near-misses to identify patterns, trends, and areas for improvement. Regularly review the data to identify any gaps or discrepancies in reporting and take corrective actions accordingly.
- Use the insights gained from incident reports to enhance safety procedures, implement preventive measures, and conduct targeted training.
- Conduct periodic reviews and audits of the reporting system to ensure its effectiveness and identify any potential issues or shortcomings.

By implementing these steps, we can strengthen the focus on incident reporting, enhance the usage of the reporting system, and work towards lowering the LTIFR (lost time injury frequency rate) from 13,5 to 2.

### *KPI's related to labour*

2022 Target	2022 Result	2023 Target
Our work on our setup for continuous training is to be completed in non-discrimination behavior. We will make it a digital tool and make it trackable just like our anti-corruption tool is. After setting the training up, we are planning for all of our global company to go through	Not completed	Use the new training platform to create and deploy a course in non-discrimination behaviour to all employees.
We're opening our whistle-blower service and making it an option for all. Previously, we've had the whistle-blower service as an internal tool for employees and stakeholders. We will launch it externally on our new homepage and promote it through our external communication.	Completed	Not continued.
Towards 2024 we aim to reach 20% female leaders. We'll set up a global registering of applicants. We'll promote five female role models employed at our company.		The target of having 20 % female leader in 2024 continues in 2023.
We choose to keep a focus on this KPI. We will strengthen focus on importance of reporting incidents in our internal communication and as a task for managers.	The LTIFR in 2022 was 13,5 – not achieved	2023 target is to have LTIFR (lost time injury frequency rate) not higher than 2.

## Management's Review

### Statutory report on the underrepresented gender

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

The composition of genders in the Board of Directors is unchanged in 2022 as the number of changes has not provided the basis for an improvement.

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

### Statutory report on data ethics

The Group acknowledges not to have formal policy specifically addressing data ethics. Instead, data ethics considerations are primarily covered by the existing GDPR policy. However, in 2022, the Group has reevaluated its approach and recognized the need to develop and implement a more dedicated policy on data ethics.

The forthcoming data ethics policy aims to establish global standards for the collection, storage, and usage of both personal and non-personal data.

The policy will also include the following,

- The categories and types of data that the Group collects, stores, and utilizes. This includes personal data as well as non-personal data.
- Information about how and when data should be collected. It will emphasize the importance of obtaining informed consent, ensuring data accuracy, and following appropriate legal and ethical standards.
- The circumstances under which data may be shared, the necessary safeguards and contractual obligations, and the Group's commitment to protecting data privacy.
- The Group's commitment to educating its workforce on ethical data handling practices and raising awareness of privacy and data protection obligations.

Once the data ethics policy is fully developed and implemented during 2023, the Group will focus on effectively putting it into practice. This includes the deployment of tools and mechanisms to monitor the use of data and ensure compliance with the established data ethics standards.

### Expectations for the Year Ahead

The Group expects that the demand for the products for the gas- and ammonia NH<sub>3</sub> industries as well as the equipment for boiler and heat exchanger production will continue the high level in 2023. Management expects existing liquidity and credit lines continues to be sufficient.

Russia's invasion of Ukraine is not expected to impact turnover nor operating profit for the financial year 2023, where the Company expects the operating profit at the same level as 2022.

## **Management's Review**

### **Intellectual Capital Resources**

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

### **Ownership**

The Company's share capital of DKK 1,000k by 31 December 2022 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 ProSupply ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C and current Danish Accounting Standards.

The financial statements are presented in TDKK.

The accounting policies are unchanged compared to previous years.

### **Recognition and measurement**

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

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

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

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

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

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

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



## Accounting Policies

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

### Basis of consolidation

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

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

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

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

Due to change in recognition and measurement of net assets, differences from acquired enterprises may be adjusted until the end of the financial year following the year of acquisition. These adjustments are at the same time reflected in the value of goodwill, including amortisation already made.

Amortisation of goodwill is recognised in the line goodwill amortisation.

### Intra-group acquisitions

Makeen ProSupply ApS has as of 1 January 2021 acquired the entire share capital of the Group's subsidiaries Birodan A/S, Concórcio Portugêses Internail S.A., and KC ProSupply UK Limited. The companies have been acquired at the booked net asset value as of 31 December 2020 and have been accounted for using the "book value method" and thus no adjustment of comparative figures has been made.

### Leases

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



## **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 on hedge accounting.

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

### **Derivative financial instruments**

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

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

### **Hedge accounting**

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

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

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

## **Accounting Policies**

### **Income Statement**

#### **Revenue**

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

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

#### **Cost of sales**

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises raw materials and consumables.

#### **Distribution expenses**

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

#### **Administrative expenses**

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

#### **Other operating income and expenses**

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

#### **Income from investments in subsidiaries**

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

#### **Income from investments in associates**

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

#### **Financial income and expenses**

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

## Accounting Policies

### Tax on profit/loss for the year

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

The Company assesses for Danish tax purposes jointly with the Danish consolidated company. Foreign subsidiaries are not part of the joint taxation.

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

### Balance Sheet

#### Intangible assets

##### *Goodwill*

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

#### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers.

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

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

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

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

## **Accounting Policies**

### **Impairment of fixed assets**

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

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

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

### **Investments in subsidiaries and associates**

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

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

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

### **Deposits**

Deposits comprise prepaid deposits concerning rental agreements.

### **Inventories**

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

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

The cost of finished goods, semi-finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

## **Accounting Policies**

### **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

### **Prepayments**

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

### **Equity**

#### ***Dividend***

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

### **Provisions**

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

### **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.

## **Accounting Policies**

### **Current tax receivables and liabilities**

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

### **Financial debts**

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

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

### **Deferred income**

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

## **Cash Flow Statement**

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

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

### **Cash flows from operating activities**

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

### **Cash flows from investing activities**

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

### **Cash flows from financing activities**

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

### **Cash and cash equivalents**

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

## Accounting Policies

### Explanation of financial ratios

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

## Income Statement 1 January 2022 - 31 December 2022

	Note	Group		Parent Company	
		2022	2021	2022	2021
		DKK '000	DKK '000	DKK '000	DKK '000
<b>Revenue</b>	2	<b>747.140</b>	<b>553.115</b>	<b>0</b>	<b>0</b>
Cost of sales	4	-548.832	-412.428	0	0
<b>Gross profit/loss</b>		<b>198.308</b>	<b>140.687</b>	<b>0</b>	<b>0</b>
Distribution expenses	4	-87.993	-63.592	0	0
Administrative expenses	3, 4	-33.628	-24.232	-67	-62
<b>Operating profit/loss</b>		<b>76.687</b>	<b>52.863</b>	<b>-67</b>	<b>-62</b>
Other operating income		389	0	0	0
Other operating expenses		0	-2.348	0	0
<b>EBITA</b>		<b>77.076</b>	<b>50.515</b>	<b>-67</b>	<b>-62</b>
Goodwill amortisation	10	-9.981	-9.276	0	0
<b>Profit/loss before financial income and expenses</b>		<b>67.095</b>	<b>41.239</b>	<b>-67</b>	<b>-62</b>
Income from investments in subsidiaries after tax	5	0	0	41.985	24.117
Income from investments in associates after tax		0	-1.008	0	-1.008
Financial income	6	1.885	588	6.249	3.597
Financial expenses	7	-12.528	-10.120	-1.404	-1.476
<b>Profit/loss before tax</b>		<b>56.452</b>	<b>30.699</b>	<b>46.763</b>	<b>25.168</b>
Tax on profit/loss for the year	8	-14.406	-8.455	-1.051	-453
<b>Net profit/loss for the year</b>		<b>42.046</b>	<b>22.244</b>	<b>45.712</b>	<b>24.715</b>
<b>Distribution of profit</b>	9				



## Balance Sheet 31 December 2022

Assets	Note	Group		Parent Company	
		2022	2021	2022	2021
		DKK '000	DKK '000	DKK '000	DKK '000
Goodwill		51.857	52.581	0	0
Brand		39.129	38.957	0	0
Customer relations		16.937	18.137	0	0
<b>Intangible assets</b>	10	<b>107.923</b>	<b>109.675</b>	<b>0</b>	<b>0</b>
Land and buildings		445	452	0	0
Plant and machinery		146	122	0	0
Other fixtures and fittings, tools and equipment		3.651	516	0	0
Leasehold improvements		3.534	125	0	0
<b>Property, plant and equipment</b>	11	<b>7.776</b>	<b>1.215</b>	<b>0</b>	<b>0</b>
Investments in subsidiaries		0	0	79.589	48.139
Deposits		412	136	0	0
<b>Fixed asset investments</b>	12	<b>412</b>	<b>136</b>	<b>79.589</b>	<b>48.139</b>
<b>Fixed assets</b>		<b>116.111</b>	<b>111.026</b>	<b>79.589</b>	<b>48.139</b>
<b>Inventories</b>	13	<b>123.634</b>	<b>90.604</b>	<b>0</b>	<b>0</b>
Trade receivables		69.988	57.493	0	0
Receivables from group enterprises		6.928	1.219	3.695	1.150
Other receivables		1.253	1.577	0	1.866
Corporation tax		2	261	0	0
Deferred tax asset	14	257	1.025	0	0
Prepayments	15	6.903	7.852	0	0
<b>Receivables</b>		<b>85.331</b>	<b>69.427</b>	<b>3.695</b>	<b>3.016</b>
<b>Cash at bank and in hand</b>		<b>36.570</b>	<b>39.915</b>	<b>1</b>	<b>123</b>
<b>Current assets</b>		<b>245.535</b>	<b>199.946</b>	<b>3.696</b>	<b>3.139</b>
<b>Assets</b>		<b>361.646</b>	<b>310.972</b>	<b>83.285</b>	<b>51.278</b>

## Balance Sheet 31 December 2022

### Liabilities and equity

	Note	Group		Parent Company	
		2022	2021	2022	2021
		DKK '000	DKK '000	DKK '000	DKK '000
Share capital		1.000	1.000	1.000	1.000
Reserve for hedging transactions		5.121	1.456	0	0
Reserve for currency conversion		1.868	1.961	0	0
Reserve for net revaluation under the equity method		0	0	45.861	15.898
Retained earnings		63.484	21.438	24.612	8.957
<b>Total equity</b>	16	<b>71.473</b>	<b>25.855</b>	<b>71.473</b>	<b>25.855</b>
Provision for deferred tax	14	55	29	0	0
<b>Provisions</b>		<b>55</b>	<b>29</b>	<b>0</b>	<b>0</b>
Credit institutions	17	90.639	99.679	0	0
Payables to group enterprises		0	22.583	0	22.583
<b>Long-term debt</b>		<b>90.639</b>	<b>122.262</b>	<b>0</b>	<b>22.583</b>
Current portion of long-term debt	17	96.100	113.181	5.000	0
Credit institutions		20.917	5	0	0
Trade payables		42.134	29.959	0	0
Payables to group enterprises		16.431	7.178	5.726	2.650
Deferred income		8.335	1.616	0	0
Corporation tax		3.825	2.143	1.051	117
Other payables		11.737	8.744	35	73
<b>Short-term debt</b>		<b>199.479</b>	<b>162.826</b>	<b>11.812</b>	<b>2.840</b>
<b>Debt</b>		<b>290.118</b>	<b>285.088</b>	<b>11.812</b>	<b>25.423</b>
<b>Liabilities and equity</b>		<b>361.646</b>	<b>310.972</b>	<b>83.285</b>	<b>51.278</b>

## Balance Sheet 31 December 2022

	<u>Note</u>
Fee to auditors appointed at the general meeting	3
Contingent assets, liabilities and other financial obligations	18
Related parties and Group Annual Report	19
Derivative financial instruments	20
Subsequent events	21

## Statement of changes in equity

Group	Share capital	Reserve for hedging transactions	Reserve for currency conversion	Retained earnings	Total
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Equity at 1 January 2022	1.000	1.456	1.961	21.438	25.855
Exchange adjustments	0	0	-93	0	-93
Fair value adjustment of hedging instruments	0	4.699	0	0	4.699
Tax on equity adjustments	0	-1.034	0	0	-1.034
Net profit/loss for the year	0	0	0	42.046	42.046
<b>Equity at 31 December 2022</b>	<b>1.000</b>	<b>5.121</b>	<b>1.868</b>	<b>63.484</b>	<b>71.473</b>

Parent Company	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	DKK '000	DKK '000	DKK '000	DKK '000
Equity at 1 January 2022	1.000	15.898	8.957	25.855
Exchange adjustments	0	-92	-2	-94
Adjustments in subsidiaries	0	-11.930	11.930	0
Net profit/loss for the year	0	41.985	3.727	45.712
<b>Equity at 31 December 2022</b>	<b>1.000</b>	<b>45.861</b>	<b>24.612</b>	<b>71.473</b>

## Cash Flow Statement 1 January 2022 - 31 December 2022

	Note	Group	
		2022	2021
		DKK '000	DKK '000
Net profit/loss for the year		42.046	22.244
Adjustments	22	39.845	26.079
Change in working capital	23	-18.821	-19.465
<b>Cash flows from operating activities before financial income and expenses</b>		<b>63.070</b>	<b>28.858</b>
Financial income		1.885	588
Financial expenses		-12.528	-10.120
<b>Cash flows from ordinary activities</b>		<b>52.427</b>	<b>19.326</b>
Corporation tax paid		-12.705	-5.967
<b>Cash flows from operating activities</b>		<b>39.722</b>	<b>13.359</b>
Acquisition of subsidiaries		-1.673	-9.165
Purchase of property, plant and equipment		-6.772	-1.891
Fixed asset investments made		-6.830	-1.035
<b>Cash flows from investing activities</b>		<b>-15.275</b>	<b>-12.091</b>
Raising of long-term debt		25.577	75.804
Repayment of long-term debt		-74.281	-58.960
<b>Cash flows from financing activities</b>		<b>-48.704</b>	<b>16.844</b>
<b>Change in cash and cash equivalents</b>		<b>-24.257</b>	<b>18.112</b>
Cash and cash equivalents at 1 January 2022		39.910	21.798
<b>Cash and cash equivalents at 31 December 2022</b>		<b>15.653</b>	<b>39.910</b>
<b>Cash and cash equivalents are specified as follows:</b>			
Cash at bank and in hand		36.570	39.915
Credit institutions		-20.917	-5
<b>Cash and cash equivalents at 31 December 2022</b>		<b>15.653</b>	<b>39.910</b>

# Notes to the Annual Report

## 1 Going concern

The Annual report is prepared under the condition of going concern. The ultimate parent company Al-Ayuni Investment & Contracting Co. who owns 100% of the share capital issued a parent guarantee for MAKEEN Energy A/S which expires on 30 June 2024. The guarantee secures the needed cash to ensure the going concern of the group.

	<b>Group</b>		<b>Parent Company</b>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	DKK '000	DKK '000	DKK '000	DKK '000
<b>2 Revenue</b>				
<b>Geographical segments</b>				
Europe	122.306	73.400	0	0
Outside Europe	624.834	479.715	0	0
	<u><b>747.140</b></u>	<u><b>553.115</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Activity segments</b>				
Project sales	144	581	0	0
Aftersales	746.996	552.534	0	0
	<u><b>747.140</b></u>	<u><b>553.115</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>3 Fee to auditors appointed at the general meeting</b>				
<b>PricewaterhouseCoopers</b>				
Audit fee	273	156	49	16
Non-audit services	515	0	0	0
<b>Other audit companies</b>				
Audit fee and non-audit services	403	745	0	0
	<u><b>1.191</b></u>	<u><b>901</b></u>	<u><b>49</b></u>	<u><b>16</b></u>
<b>4 Staff</b>				
Wages and salaries	77.699	58.240	0	0
Pensions	1.515	564	0	0
Other social security expenses	8.152	6.835	0	0
	<u><b>87.366</b></u>	<u><b>65.639</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Average number of employees</b>	<u><b>146</b></u>	<u><b>131</b></u>	<u><b>0</b></u>	<u><b>0</b></u>

With reference to Section 98B (3) of the Danish Financial Statements Act, remuneration to the Executive Board has not been disclosed.

## Notes to the Annual Report

		<b>Parent Company</b>	
		<b>2022</b>	<b>2021</b>
		DKK '000	DKK '000
<b>5</b>	<b>Income from investments in subsidiaries after tax</b>		
	Share of earnings of subsidiaries after tax	44.460	26.830
	Amortisation of goodwill	-2.475	-2.713
		<b>41.985</b>	<b>24.117</b>
		<b>Group</b>	
		<b>2022</b>	<b>2021</b>
		DKK '000	DKK '000
<b>6</b>	<b>Financial income</b>		
	Interest received from group enterprises	0	11
	Exchange adjustments	556	213
	Other financial income	1.329	364
		<b>1.885</b>	<b>588</b>
		<b>Parent Company</b>	
		<b>2022</b>	<b>2021</b>
		DKK '000	DKK '000
	Interest received from group enterprises	0	28
	Exchange adjustments	232	54
	Other financial income	6.017	3.515
		<b>6.249</b>	<b>3.597</b>
<b>7</b>	<b>Financial expenses</b>		
	Interest expenses to group enterprises	5.707	4.944
	Bank charges	5.844	191
	Exchange adjustments	796	155
	Other financial expenses	181	4.830
		<b>12.528</b>	<b>10.120</b>
<b>8</b>	<b>Tax on profit/loss for the year</b>		
	Current tax for the year	14.646	8.438
	Deferred tax for the year	794	714
	<b>Total tax for the year</b>	<b>15.440</b>	<b>9.152</b>
which breaks down as follows:			
	Tax on profit/loss for the year	14.406	8.455
	Tax on changes in equity	1.034	697
		<b>15.440</b>	<b>9.152</b>
		<b>Parent Company</b>	
		<b>2022</b>	<b>2021</b>
		DKK '000	DKK '000
	Tax on profit/loss for the year	1.051	117
	Tax on changes in equity	0	336
		<b>1.051</b>	<b>453</b>

## Notes to the Annual Report

	Group		Parent Company	
	2022	2021	2022	2021
	DKK '000	DKK '000	DKK '000	DKK '000
<b>9 Distribution of profit</b>				
<b>Proposed distribution of profit</b>				
Net revaluation according to the equity method	0	0	41.985	22.627
Retained earnings	42.046	22.244	3.727	2.088
	<b>42.046</b>	<b>22.244</b>	<b>45.712</b>	<b>24.715</b>

## 10 Intangible assets

Group	Goodwill	Brand	Customer relations	Order backlog
	DKK '000	DKK '000	DKK '000	DKK '000
Cost at 1 January 2022	60.373	42.693	21.984	3.686
Exchange adjustments	3.208	2.674	1.377	283
Additions for the year	1.673	0	0	0
Cost at 31 December 2022	65.254	45.367	23.361	3.969
Amortisation at 1 January 2022	7.792	3.736	3.847	3.686
Exchange adjustments	285	206	212	283
Amortisation for the year	5.320	2.296	2.365	0
Amortisation at 31 December 2022	13.397	6.238	6.424	3.969
<b>Carrying amount at 31 December 2022</b>	<b>51.857</b>	<b>39.129</b>	<b>16.937</b>	<b>0</b>

Amortised over                      10-20 years      20 years      10 years      9-18 months

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

Amortisation, goodwill	9.981
	<b>9.981</b>

### Goodwill

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



## Notes to the Annual Report

### 11 Property, plant and equipment

Group	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improve- ments
	DKK '000	DKK '000	DKK '000	DKK '000
Cost at 1 January 2022	2.338	1.033	3.296	287
Exchange adjustments	-127	-58	-118	-43
Additions for the year	24	61	3.551	3.482
Disposals for the year	0	0	-229	0
Cost at 31 December 2022	<u>2.235</u>	<u>1.036</u>	<u>6.500</u>	<u>3.726</u>
Impairment losses and depreciation at 1 January 2022	1.886	911	2.780	162
Exchange adjustments	-102	-50	-90	0
Depreciation for the year	6	29	386	30
Reversal of impairment and depreciation of sold assets	0	0	-227	0
Impairment losses and depreciation at 31 December 2022	<u>1.790</u>	<u>890</u>	<u>2.849</u>	<u>192</u>
<b>Carrying amount at 31 December 2022</b>	<b><u>445</u></b>	<b><u>146</u></b>	<b><u>3.651</u></b>	<b><u>3.534</u></b>
Depreciated over	<u>20 years</u>	<u>2-10 years</u>	<u>2-10 years</u>	<u>5-12 years</u>

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

	2022
	DKK '000
Distribution expenses	229
Administrative expenses	222
	<u>451</u>

## Notes to the Annual Report

### 12 Fixed assets investments

Group	Investments in associates	Deposits
	DKK '000	DKK '000
Cost at 1 January 2022	1.008	136
Additions for the year	0	281
Disposals for the year	0	-5
Cost at 31 December 2022	1.008	412
Value adjustment at 1 January 2022	-1.008	0
Value adjustments at 31 December 2022	-1.008	0
<b>Carrying amount at 31 December 2022</b>	<b>0</b>	<b>412</b>

Parent Company	Investments in subsidiaries	Investments in associates
	DKK '000	DKK '000
Cost at 1 January 2022	31.233	1.008
Additions for the year	1.487	0
Cost at 31 December 2022	32.720	1.008
Value adjustment at 1 January 2022	16.906	-1.008
Exchange adjustments	-92	0
Net profit/loss for the year	41.985	0
Dividend to the Parent Company	-11.930	0
Value adjustment at 31 December 2022	46.869	-1.008
<b>Carrying amount at 31 December 2022</b>	<b>79.589</b>	<b>0</b>

## Notes to the Annual Report

### 12 Fixed assets investments *(continued)*

Of this amount, goodwill amounts to 107.923

Subsidiaries and associated companies are recognised and measured as separate entities.

Investments in subsidiaries and associates are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Subsidiaries:			
MAKEEN ProSupply North America	USA	KUSD 0	100%
MAKEEN Gas Equipment Denmark A/S	Denmark	kDKK 500	100%
MAKEEN Gas Equipment Portugal SA	Portugal	kEUR 200	100%
MAKEEN Gas Equipment UK Ltd.	UK	kGBP 10	100%
- Tankgas Equipment Ltd. (dormant)	UK	kGBP 5	100%
- Combined Gas Systems Ltd. (dormant)	UK	kGBP 0,1	100%
- Marshalls Excelsior Europe Ltd.(dormant)	UK	kGBP 0,1	100%
MAKEEN Gas Equipment Belgium SA	Belgium	kEUR 200	100%
Associates:			
Suncil Technology ApS	Denmark	kDKK 8.310	24%

Group		Parent Company	
2022	2021	2022	2021
DKK '000	DKK '000	DKK '000	DKK '000

### 13 Inventories

Raw materials and consumables	123.634	90.604	0	0
	<b>123.634</b>	<b>90.604</b>	<b>0</b>	<b>0</b>

## Notes to the Annual Report

	Group		Parent Company	
	2022	2021	2022	2021
	DKK '000	DKK '000	DKK '000	DKK '000
<b>14 Provision for deferred tax</b>				
Fixed assets	44	19	0	0
Current assets	11	10	0	0
	<b>55</b>	<b>29</b>	<b>0</b>	<b>0</b>
Provision for deferred tax at 1. January	29	0	0	0
Amounts recognised in the income statement for the year	26	29	0	0
<b>Provision for deferred tax at 31. December</b>	<b>55</b>	<b>29</b>	<b>0</b>	<b>0</b>
<b>Deferred tax asset</b>				
Fixed assets	257	1.025	0	0
	<b>257</b>	<b>1.025</b>	<b>0</b>	<b>0</b>
Deferred tax asset at 1. January	1.025	1.710	0	336
Amounts recognised in the income statement for the year	266	12	0	-336
Amounts recognised in equity for the year	-1.034	-697	0	0
<b>Deferred tax asset at 31. December</b>	<b>257</b>	<b>1.025</b>	<b>0</b>	<b>0</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.				
<b>15 Prepayments</b>				
Prepayments	6.903	7.852	0	0
	<b>6.903</b>	<b>7.852</b>	<b>0</b>	<b>0</b>

## Notes to the Annual Report

### 16 Share Capital

The share capital consists of 10.000 shares of a nominal amount of DKK 100. No shares carry any special rights.

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

	2022	2021	2020
	DKK '000	DKK '000	DKK '000
Share capital	1.000	1.000	1.000

### 17 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Group		Parent Company	
	2022	2021	2022	2021
	DKK '000	DKK '000	DKK '000	DKK '000
<b>Credit institutions</b>				
After 5 years	0	6.561	0	0
Between 1 and 5 years	90.639	93.118	0	0
Long-term part	90.639	99.679	0	0
Within 1 year	34.617	0	0	0
	<b>125.256</b>	<b>99.679</b>	<b>0</b>	<b>0</b>
<b>Loans from group enterprises</b>				
Between 1 and 5 years	0	22.583	0	22.583
Long-term part	0	22.583	0	22.583
Within 1 year	61.483	113.181	5.000	0
	<b>61.483</b>	<b>135.764</b>	<b>5.000</b>	<b>22.583</b>

## Notes to the Annual Report

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

The future minimum lease payments under operating leases are as follows:

	<b>Group</b>		<b>Parent Company</b>	
	2022	2021	2022	2021
	DKK '000	DKK '000	DKK '000	DKK '000
No later than 1 year	5.086	3.663	0	0
Later than 1 year and no later than 5 years	11.744	6.781	0	0
Later than 5 years	1.303	537	0	0
	<b>18.133</b>	<b>10.981</b>	<b>0</b>	<b>0</b>

#### **Group**

The Group has issued a surety guarantee for MAKEEN Energy A/S, MAKEEN EnviroTech A/S, House of MAKEEN Energy A/S and MAKEEN Prosupply ApS' engagement with banks for a total of DKK 379,344k.

#### **Parent Company**

The Company has issued a surety guarantee for MAKEEN Energy A/S, MAKEEN EnviroTech A/S, House of MAKEEN Energy A/S and MAKEEN Prosupply ApS' engagement with banks for a total of DKK 379,344k.

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.

## Notes to the Annual Report

### 19 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 2022 the Company had no transactions with related parties, which are not on arm's length basis.

#### Group Annual Report

The Company is included in the Group Annual Report for the parent company Makeen Energy A/S and Ultimate parent company Al Ayuni Investment & Contracting Company.

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

MAKEEN Energy A/S  
Alsvej 21  
8940 Randers SV  
Denmark

### 20 Derivative financial instruments

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

	Group		Parent Company	
	2022	2021	2022	2021
	DKK '000	DKK '000	DKK '000	DKK '000
Interest rate swaps	6.565	1.866	0	1.866
	6.565	1.866	0	1.866
Cash Flow hedges	6.565	1.866	0	0
	6.565	1.866	0	0
Assets/Liabilities	0	1.866	0	1.866
	0	1.866	0	1.866

# Notes to the Annual Report

## 21 Subsequent events

No events materially affecting the assessment of the financial position of the Company by 31 December 2022 have occurred after the balance sheet date.

	Group	
	2022	2021
	DKK '000	DKK '000
<b>22 Cash flow statement - adjustments</b>		
Financial income	-1.885	-588
Financial expenses	12.528	10.120
Income from investments in associates before tax	0	1.008
Depreciation of property, plant and machinery	209	868
Amortisation of intangible assets	9.981	9.276
Tax on profit/loss for the year	14.406	8.455
Equity adjustments	4.606	-3.060
	<b>39.845</b>	<b>26.079</b>

## 23 Cash Flow Statement - change in working capital

Change in inventories	-33.030	-21.873
Change in receivables	-12.495	-22.266
Change in other receivables	324	-1.368
Change in prepayments (assets)	949	-61
Change in trade payables etc.	12.175	14.874
Change in receivables from group enterprises, net	3.544	6.700
Change in other debt	2.993	2.913
Change in deferred income	6.719	1.616
	<b>-18.821</b>	<b>-19.465</b>