New Global Boiler Holding A/S

Østre Alle 6, 9530 Støvring

Company reg. no. 42 06 38 43

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 26 April 2024.

Jens Lübeck Johansen
Chairman of the meeting

Contents

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

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of New Global Boiler Holding A/S for the financial year 1 January - 31 December 2023.

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

We consider the chosen accounting policy to be appropriate, and 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 2023, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2023.

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

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

Støvring, 26 April 2024

Managing Director

Uffe Nyborg Johansen

Board of directors

Jens Lübeck Johansen	Palani Kumar Palaniappan Selvaraj	Dann Hove Andersen

Uffe Nyborg Johansen

Independent auditor's report

To the Shareholders of New Global Boiler Holding A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of New Global Boiler Holding A/S for the financial year 1 January to 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group the Parent Company, as well as consolidated statement of cash flows. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

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 2023, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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 Consolidated Financial Statements and the Parent Company 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.

Management’s Responsibilities for the Consolidated Financial Statements and the Parent Company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent company 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 consolidated financial statements and parent company 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 consolidated financial statements and the parent company 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 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 consolidated financial statements and the parent company 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 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 consolidated financial statements and the parent company 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 Company to cease to continue as a going concern.

Independent auditor's report

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company 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.

Statement on Management's Review
Management is responsible for Management's Review.

Our opinion on the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the consolidated financial statements and the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Aalborg, 26 April 2024

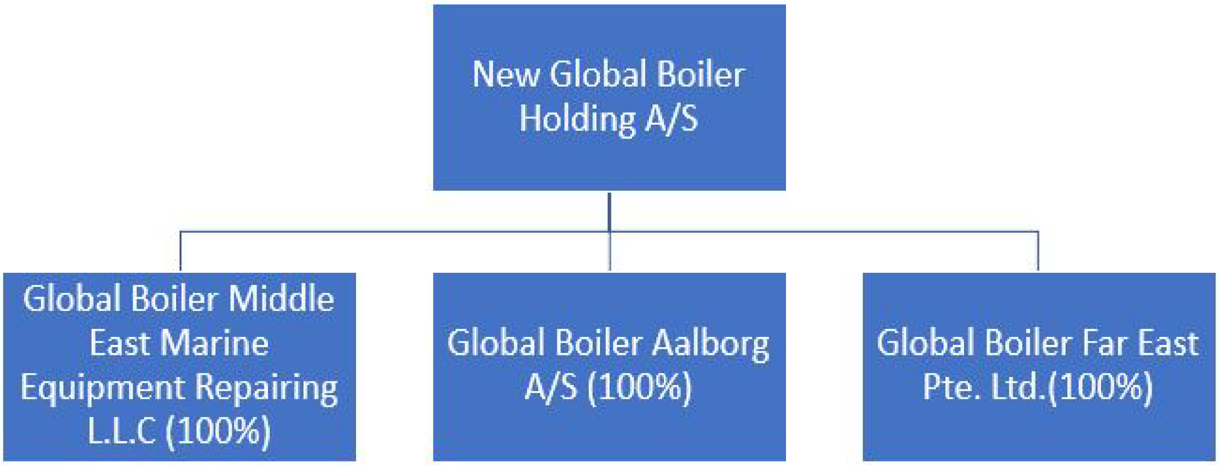
Redmark
Godkendt Revisionspartnerselskab
Company reg. no. 29 44 27 89

Søren Korgaard-Mollerup
State Authorised Public Accountant
mne31477

Company information

The company	New Global Boiler Holding A/S Østre Alle 6 9530 Støvring	
	Company reg. no.	42 06 38 43
	Financial year:	1 January - 31 December
Board of directors	Jens Lübeck Johansen Palani Kumar Palaniappan Selvaraj Dann Hove Andersen Uffe Nyborg Johansen	
Managing Director	Uffe Nyborg Johansen	
Auditors	Redmark Godkendt Revisionspartnerselskab Hasseris Bymidte 6 9000 Aalborg	
Subsidiary	Global Boiler Aalborg A/S, Aalborg Global Boiler Far East Pte Ltd, Singapore Global Boiler Middle East Marine Equipment Repairing L.L.C, Dubai	

Group overview



Consolidated financial highlights

DKK in thousands.	2023	2022	2021
Income statement:			
Gross profit	87.760	63.311	41.601
Profit from operating activities	26.994	15.892	3.330
Net financials	-2.114	-1.817	-1.397
Net profit or loss for the year	23.985	13.955	1.904
Statement of financial position:			
Balance sheet total	101.835	95.609	78.853
Investments in property, plant and equipment	2.411	1.289	1.423
Equity	56.459	37.039	22.015
Cash flows:			
Operating activities	21.812	4.737	7.925
Investing activities	-3.047	-1.725	-25.354
Financing activities	-13.981	-93	22.143
Total cash flows	4.784	2.919	4.713
Employees:			
Average number of full-time employees	143	112	91
Key figures in %:			
Acid test ratio	233,9	166,4	129,7
Solvency ratio	55,4	38,7	27,9
Return on equity	51,3	47,3	17,3

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Acid test ratio

$$\frac{\text{Current assets x 100}}{\text{Short term liabilities other than provisions}}$$

Solvency ratio

$$\frac{\text{Equity, closing balance x 100}}{\text{Total assets, closing balance}}$$

Return on equity

$$\frac{\text{Net profit or loss for the year x 100}}{\text{Average equity}}$$

Management´s review

Description of key activities of the company

The Group’s principal activities are the service & repair of all types of marine boilers, incinerators and Inert Gas Generators and related equipment and accessories on a Worldwide Basis. Those business activities are conducted and performed also by the Group companies in Denmark, Singapore and Dubai. In addition, a large selection of spare parts for the above industries is stocked and sold.

Furthermore, the Group perform sales, engineering and manufacturing of economizers in own production facilities.

The Group has modern and efficient workshops that has a long tradition of its class approved boilers and boiler components. The workshops are placed in Denmark, Dubai and Singapore. The workshops mainly focus on the markets in their own area, but the market for the Global Boiler Group is vessels all over the world.

The main activity of New Global Boiler Holding A/S is to own shares in the subsidiaries, and to manage some group activities across the group.

Development in activities and financial matters

The gross profit for the group for the year totals 87,8 mil. DKK against 63,3 mil. DKK last year. Income from ordinary activities after tax totals 24,0 mil. DKK against 13,9 mil. DKK last year.

The market in Middle East is still increasing. The positive development in this market is the best in the New Global Boiler Holding Group.

Management considers the achieved results in 2023 satisfactory.

Expected developments

The outlook for 2024 is positive and we expect increased business activities across all entities. For the group, a profit before tax of 30-34 mil. DKK has been budgeted for 2024.

The geopolitical challenges in the world have not had a significant impact on the level of activity, as the company's customers are not subject to sanctions.

Knowledge resources

To meet market demands the New Global Boiler Holding Group has internationalized operations and now operate out of the most relevant global hubs with competence anchored locally at each site. To support continued growth and competitiveness of the Group it is important to attract qualified and skilled personal therefore the Group is strongly invested in staff development and is strongly invested in ensuring the correct personal in every activity.

The objective is to be able to service the customer’s fleets on time and at a competitive rate on a global scale.

Management´s review

Environmental issues

The New Global Boiler Holding Group has a policy to fully comply with laws and regulation concerning environmental matter, health and safety, human rights and anti money laundering in all entities in the group.

The Danish Company invested in 2022 in solar panels on the factory roofs covering 85 % of the yearly power consumption and thus gives the Company an 85 % less CO2 footprint in this area and help us in our focus on ESG in general.

Income statement 1 January - 31 December

All amounts in DKK.

Note		Group 2023	Group 2022	Parent 2023	Parent 2022
	Gross profit	**87.759.552**	**63.310.771**	**662.694**	**-59.307**
1	Staff costs	-55.824.060	-42.871.436	-1.545.387	0
	Depreciation, amortisation, and impairment	-4.888.792	-4.547.273	0	0
	Other operating expenses	-52.281	0	-499.523	0
	Operating profit	**26.994.419**	**15.892.062**	**-1.382.216**	**-59.307**
	Income from investments in Group entities	0	0	25.966.500	14.489.496
	Other financial income from group enterprises	0	0	235.499	160.808
	Other financial income	272.171	1.454.363	15.723	9.004
2	Other financial expenses	-2.386.350	-3.271.767	-1.403.500	-797.799
	Pre-tax net profit or loss	**24.880.240**	**14.074.658**	**23.432.006**	**13.802.202**
	Tax on net profit or loss for the year	-894.782	-119.270	553.452	153.186
3	**Net profit or loss for the year**	**23.985.458**	**13.955.388**	**23.985.458**	**13.955.388**

Balance sheet at 31 December

All amounts in DKK.

Assets

Note		Group 2023	Group 2022	Parent 2023	Parent 2022
	Non-current assets				
4	Acquired concessions, patents, licenses, trademarks, and similar rights	989.078	541.274	151.123	0
5	Goodwill	19.437.585	22.214.384	0	0
	Total intangible assets	20.426.663	22.755.658	151.123	0
6	Other fixtures, fittings, tools and equipment	7.696.574	7.240.001	0	0
	Total property, plant, and equipment	7.696.574	7.240.001	0	0
7	Investments in group enterprises	0	0	72.515.369	58.759.036
	Total investments	0	0	72.515.369	58.759.036
	Total non-current assets	**28.123.237**	**29.995.659**	**72.666.492**	**58.759.036**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	Group 2023	Group 2022	Parent 2023	Parent 2022
	Current assets				
	Raw materials and consumables	19.528.004	12.797.214	0	0
	Prepayments for goods	37.778	1.689.057	0	0
	Total inventories	19.565.782	14.486.271	0	0
	Trade receivables	28.856.961	26.983.617	0	0
8	Contract work in progress	4.219.257	4.947.625	0	0
	Receivables from group enterprises	0	0	966.878	2.660.808
	Deferred tax assets	0	46.172	0	65.861
	Income tax receivables	0	0	0	68.718
	Tax receivables from group enterprises	0	0	1.037.564	82.086
	Other receivables	1.747.970	4.414.036	298.901	4.784.769
9	Prepayments	1.150.272	978.842	0	0
	Total receivables	35.974.460	37.370.292	2.303.343	7.662.242
	Cash and cash equivalents	18.171.576	13.756.734	326.094	0
	Total current assets	**73.711.818**	**65.613.297**	**2.629.437**	**7.662.242**
	Total assets	**101.835.055**	**95.608.956**	**75.295.929**	**66.421.278**

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities

Note		Group 2023	Group 2022	Parent 2023	Parent 2022
	Equity				
	Contributed capital	1.000.000	1.000.000	1.000.000	1.000.000
	Reserve for net revaluation according to the equity method	0	0	24.990.479	3.334.144
	Reserve for foreign currency translation	-28.764	887.310	0	0
	Retained earnings	55.487.645	35.151.589	30.468.402	28.704.755
	Proposed dividend for the financial year	0	0	0	4.000.000
	Total equity	**56.458.881**	**37.038.899**	**56.458.881**	**37.038.899**
	Provisions				
10	Provisions for deferred tax	493.838	0	0	0
11	Other provisions	0	766.444	0	0
	Total provisions	**493.838**	**766.444**	**0**	**0**
	Liabilities other than provisions				
12	Bank loans	2.853.383	4.702.929	2.853.383	4.702.929
13	Lease liabilities	1.508.010	1.689.665	0	0
14	Other payables	9.007.246	11.989.813	7.723.707	11.989.813
	Total long term liabilities other than provisions	13.368.639	18.382.407	10.577.090	16.692.742

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities

Note		Group 2023	Group 2022	Parent 2023	Parent 2022
	Current portion of long term liabilities	4.434.120	4.384.812	3.991.000	3.950.000
	Bank loans	8.198.458	12.164.293	2.911.430	7.022.143
	Prepayments received from customers	90.515	0	0	0
8	Prepayments received from customers for contract work in progress	377.600	0	0	0
8	Contract work in progress	1.807.956	876.359	0	0
	Trade payables	10.878.657	13.323.178	316.133	60.000
	Payables to group enterprises	0	0	720.018	0
	Income tax payable	210.251	252.972	210.251	84.172
	Income tax payable to group enterprises	0	0	0	63.479
	Other payables	5.516.140	8.419.592	111.126	1.509.843
	Total short term liabilities other than provisions	31.513.697	39.421.206	8.259.958	12.689.637
	Total liabilities other than provisions	**44.882.336**	**57.803.613**	**18.837.048**	**29.382.379**
	Total equity and liabilities	**101.835.055**	**95.608.956**	**75.295.929**	**66.421.278**

15 Charges and security

16 Contingencies

17 Related parties

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for foreign currency translation	Retained earnings	Total
Equity 1 2023	1.000.000	887.310	35.151.589	37.038.899
Retained earnings for the year	0	0	23.985.457	23.985.457
Foreign currency translation adjustments	0	-916.074	0	-916.074
Distributed dividend	0	0	-4.000.000	-4.000.000
Other adjustments	0	0	350.599	350.599
	1.000.000	**-28.764**	**55.487.645**	**56.458.881**

Statement of changes in equity of the parent

All amounts in DKK.

	Contributed capital	Reserve for net revaluation according to the equity method	Retained earnings	Proposed dividend for the financial year	Total
Equity opening balance	1.000.000	3.334.144	28.704.755	4.000.000	37.038.899
Distributed dividend	0	0	0	-4.000.000	-4.000.000
Share of profit or loss	0	22.572.410	1.413.048	0	23.985.458
Foreign currency translation adjustments	0	-916.075	0	0	-916.075
Other adjustments	0	0	350.599	0	350.599
	1.000.000	**24.990.479**	**30.468.402**	**0**	**56.458.881**

Statement of cash flows 1 January - 31 December

All amounts in DKK.

Note		Group 2023	2022
	Net profit or loss for the year	23.985.458	13.955.388
18	Adjustments	7.183.590	7.210.434
19	Change in working capital	-6.824.335	-14.264.809
	Cash flows from operating activities before net financials	24.344.713	6.901.013
	Interest received, etc.	272.175	1.454.363
	Interest paid, etc.	-2.386.350	-3.271.767
	Cash flows from ordinary activities	22.230.538	5.083.609
	Income tax paid	-467.377	-346.694
	Other cash flows from operating activities	49.038	0
	Cash flows from operating activities	**21.812.199**	**4.736.915**
	Purchase of intangible assets	-636.439	-435.969
	Purchase of property, plant, and equipment	-2.411.011	-1.288.920
	Cash flows from investment activities	**-3.047.450**	**-1.724.889**
	Long-term payables incurred	0	778.295
	Repayments of long-term payables	-6.014.734	-2.292.991
	Dividend paid	-4.000.000	0
	Changes in short-term bank loans	-3.965.835	1.421.560
	Cash flows from investment activities	**-13.980.569**	**-93.136**
	Change in cash and cash equivalents	**4.784.180**	**2.918.890**
	Cash and cash equivalents at opening balance	13.756.734	10.639.460
	Exchange rate adjustments	-369.338	198.384
	Cash and cash equivalents at end of period	**18.171.576**	**13.756.734**
	Cash and cash equivalents		
	Cash and cash equivalents	18.171.576	13.756.734
	Cash and cash equivalents at end of period	**18.171.576**	**13.756.734**

Notes

All amounts in DKK.

		Group 2023	Group 2022	Parent 2023	Parent 2022
1.	**Staff costs**				
	Salaries and wages	52.078.154	40.069.103	1.390.775	0
	Pension costs	3.375.917	2.515.097	144.000	0
	Other costs for social security	369.989	287.236	10.612	0
		55.824.060	**42.871.436**	**1.545.387**	**0**
	Executive board and board of directors	668.043	930.397	668.043	0
	Average number of employees	143	112	2	0

The exemption provision in § 98 B (3) in the Danish Financial Act is used, as information otherwise will lead to amounts being shown for a single member of a management category. Thus the salaries for both management categories are shown together.

		Group 2023	Group 2022	Parent 2023	Parent 2022
2.	**Other financial expenses**				
	Financial costs, group enterprises	0	0	91.448	0
	Other financial costs	2.386.350	3.271.767	1.312.052	797.799
		2.386.350	**3.271.767**	**1.403.500**	**797.799**

		Parent 2023	Parent 2022
3.	**Proposed distribution of net profit**		
	Reserves for net revaluation according to the equity method	22.572.410	2.266.034
	Dividend for the financial year	0	4.000.000
	Transferred to retained earnings	1.413.048	7.689.354
	Total allocations and transfers	**23.985.458**	**13.955.388**

Notes

All amounts in DKK.

		Group		Parent	
		31/12 2023	31/12 2022	31/12 2023	31/12 2022
4.	**Acquired concessions, patents, licenses, trademarks, and similar rights**				
	Cost opening balance	894.891	458.922	0	0
	Additions during the year	636.439	435.969	151.123	0
	Cost end of period	**1.531.330**	**894.891**	**151.123**	**0**
	Amortisation and write-down opening balance	-353.617	-248.135	0	0
	Amortisation and depreciation for the year	-188.635	-105.482	0	0
	Amortisation and write-down end of period	**-542.252**	**-353.617**	**0**	**0**
	Carrying amount, end of period	**989.078**	**541.274**	**151.123**	**0**
5.	**Goodwill**				
	Cost opening balance	27.767.982	27.767.982	0	0
	Cost end of period	**27.767.982**	**27.767.982**	**0**	**0**
	Amortisation and write-down opening balance	-5.553.598	-2.776.799	0	0
	Amortisation and depreciation for the year	-2.776.799	-2.776.799	0	0
	Amortisation and write-down end of period	**-8.330.397**	**-5.553.598**	**0**	**0**
	Carrying amount, end of period	**19.437.585**	**22.214.384**	**0**	**0**

Notes

All amounts in DKK.

		Group		Parent	
		31/12 2023	31/12 2022	31/12 2023	31/12 2022
6.	**Other fixtures, fittings, tools and equipment**				
	Cost opening balance	15.151.370	13.564.757	0	0
	Translation at the exchange rate at the balance sheet date end of period	-163.533	297.693	0	0
	Additions during the year	2.411.011	1.288.920	0	0
	Disposals during the year	-56.969	0	0	0
	Cost end of period	**17.341.879**	**15.151.370**	**0**	**0**
	Amortisation and write-down opening balance	-7.911.369	-6.150.232	0	0
	Translation at the exchange rate at the balance sheet date end of period	65.019	-107.832	0	0
	Amortisation and depreciation for the year	-1.803.595	-1.653.305	0	0
	Depreciation, amortisation and impairment loss for the year, assets disposed of	4.640	0	0	0
	Amortisation and write-down end of period	**-9.645.305**	**-7.911.369**	**0**	**0**
	Carrying amount, end of period	**7.696.574**	**7.240.001**	**0**	**0**
	Lease assets are recognised at a carrying amount of	2.478.974	2.516.824	0	0

Notes

All amounts in DKK.

	Parent	
	31/12 2023	31/12 2022
7. Investments in group enterprises		
Cost opening balance	43.524.893	43.524.893
Cost end of period	**43.524.893**	**43.524.893**
Revaluations, opening balance opening balance	20.787.741	2.748.888
Correction of previous revaluations	350.599	291.803
Translation at the exchange rate at the balance sheet date	-916.075	776.307
Net profit or loss for the year before amortisation of goodwill	28.743.299	16.970.743
Dividend	-11.644.691	0
Revaluations end of period	**37.320.873**	**20.787.741**
Amortisation of goodwill, opening balance opening balance	-5.553.598	-2.776.799
Amortisation of goodwill for the year	-2.776.799	-2.776.799
Depreciation on goodwill end of period	**-8.330.397**	**-5.553.598**
Carrying amount, end of period	**72.515.369**	**58.759.036**
The item includes goodwill with an amount of	19.437.585	22.214.384

Group enterprises:

	Domicile	**Equity interest**
Global Boiler Aalborg A/S	Aalborg	100 %
Global Boiler Far East Pte Ltd	Singapore	100 %
Global Boiler Middle East Marine Equipment Repairing L.L.C	Dubai	100 %

Notes

All amounts in DKK.

		Group		Parent	
		31/12 2023	31/12 2022	31/12 2023	31/12 2022
8.	**Contract work in progress**				
	Selling price of the production for the period	9.103.532	8.477.653	0	0
	Progress billings	-7.069.831	-4.406.387	0	0
	Contract work in progress, net	**2.033.701**	**4.071.266**	**0**	**0**
	The following is recognised:				
	Contract work in progress (current assets)	4.219.257	4.947.625	0	0
	Contract work in progress (prepayments received on account)	-377.600	0	0	0
	Contract work in progress (short-term lianilities other than provision)	-1.807.956	-876.359	0	0
		2.033.701	**4.071.266**	**0**	**0**

9. Prepayments

Prepayments consists of prepayments on travel, transport and administration expenses.

		Group 31/12 2023	Group 31/12 2022	Parent 31/12 2023	Parent 31/12 2022
10.	**Provisions for deferred tax**				
	Provisions for deferred tax opening balance	-46.172	89.616	-65.861	0
	Deferred tax of the net profit or loss for the year	540.010	-135.788	65.861	-65.861
		493.838	**-46.172**	**0**	**-65.861**

11. Other provisions

Other provisions consists of provision for loss on work in progress.

Notes

All amounts in DKK.

		Group		Parent	
		31/12 2023	31/12 2022	31/12 2023	31/12 2022
12.	**Bank loans**				
	Total bank loans	4.753.383	6.652.929	4.753.383	6.652.929
	Share of amount due within 1 year	-1.900.000	-1.950.000	-1.900.000	-1.950.000
		2.853.383	**4.702.929**	**2.853.383**	**4.702.929**
	Share of liabilities due after 5 years	0	0	0	0
13.	**Lease liabilities**				
	Total lease liabilities	2.042.130	2.124.477	0	0
	Share of amount due within 1 year	-534.120	-434.812	0	0
		1.508.010	**1.689.665**	**0**	**0**
	Share of liabilities due after 5 years	16.336	0	0	0
14.	**Other payables**				
	Total other payables	11.007.246	13.989.813	9.814.707	13.989.813
	Share of amount due within 1 year	-2.000.000	-2.000.000	-2.091.000	-2.000.000
	Total other payables	**9.007.246**	**11.989.813**	**7.723.707**	**11.989.813**
	Share of liabilities due after 5 years	1.192.539	1.989.813	0	1.989.813

Notes

All amounts in DKK.

15. Charges and security

For bank debts, the Group has provided security in Group entities assets representing a nominal value of thousands DKK 5.000. This security comprises the below assets, stating the book values:

	DKK in thousands
Inventories	9.387
Trade receivables	20.246
Other fixtures, fittings, tools and equipment	1.415
Acquired rights	838

Fixtures, fittings, tools, and equipment representing a carrying amount of thousands DKK 2.479 at 31 December 2023, cf. note 6, have been financed by means of finance leases. At 31 December 2023, this lease liability totals thousands DKK 2.042.

16. Contingencies

Contingent liabilities

Lease liabilities

In addition to finance leases, the group has entered into operational leases with an average annual lease payment of thousand DKK 133. The leases have 18-20 months to maturity and total outstanding lease payments total thousand DKK 202.

Recourse guarantee commitments:

The parent company has guaranteed the bank loans of the group enterprises. On 31 December 2023, the total bank loans of the group enterprises totalled thousand DKK 5.238.

Warranty commitments and other contingent liabilities:

The group has entered into a lease contract that can be terminated to vacating with 6-48 month notice. The total rent costs for the period is thousand DKK 1.043.

Joint taxation

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

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

Notes

All amounts in DKK.

16. Contingencies (continued)

Joint taxation (continued)

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

17. Related parties

Related parties consist of board members in the parent company as well as in other Group entities. Furthermore, related parties consists of shareholders and their related parties.

Transactions

Transactions with related party has been done on market terms hence they are not disclosed in the annual report in accordance with § 98 C (7) in the Danish Financial Act.

	Group 2023	Group 2022
18. Adjustments		
Depreciation, amortisation, and impairment	4.888.792	4.547.273
Loss from disposal of non-current assets	52.281	0
Other financial income	-272.171	-1.454.363
Other financial expenses	2.386.350	3.271.767
Tax on net profit or loss for the year	418.251	119.270
Deferred tax	476.531	0
Other provisions	-766.444	726.487
	7.183.590	**7.210.434**

	Group 2023	Group 2022
19. Change in working capital		
Change in inventories	-5.079.512	-3.874.309
Change in receivables	1.349.661	-12.339.485
Change in trade payables and other payables	-2.898.347	936.651
Other changes in working capital	-196.137	1.012.334
	-6.824.335	**-14.264.809**

Accounting policies

The annual report for New Global Boiler Holding A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The group has in 2023 completed a restructuring of the group, where the company entered into a merger with two subsidiary companies. New Global Boiler Holding A/S is thus the continuing company following the mergers. The mergers have been carried out based on the group method, since New Global Boiler Holding A/S before the merger directly owned the defunct companies. The group method implies that the continuing company reflects the merger based on consolidated financial statements values. The comparative figures have been adapted and the change has resulted in an increase in assets and liabilities of thousands DKK 4.493. The change has had no effect on the income statement or equity.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

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

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

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

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

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

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

Accounting policies

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

The consolidated financial statements

The consolidated income statements comprise the parent company New Global Boiler Holding A/S and those group enterprises of which New Global Boiler Holding A/S directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Accounting policies

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' fair value of net assets and liabilities at the acquisition date.

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

Purchases and sales of minority interests under continuing control are recognised directly in equity as a transaction between shareholders.

Investments in associates are measured in the statement of financial position at the proportionate share of the enterprises' equity value i calculated in accordance with the parent company's accounting policies and with proportionate elimination of unrealised intercompany gains and losses. In the income statement, the proportional share of the associates' results is recognised after elimination of the proportional share of intercompany gains and losses.

The group activities in joint operations are recognised in the consolidated financial statements record by record.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Accounting policies

Contract work in progress concerning construction contracts is recognised in the revenue concurrently with the production process. Thus, the revenue corresponds to the selling price of the total yearly production (the production method). The revenue is recognised when the total income and costs of the contract and the stage of completion on the reporting date can be reliably validated and it is deemed probable that the financial benefits will flow to the company.

When the results of a contract cannot be reliably validated, the revenue is recognised solely on a cost basis to the extent that it seems probable that the costs will be recovered.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

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

Results from investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual entities are recognised in the income statement of the parent as a proportional share of the entities' post-tax profit or loss.

Tax on net profit or loss for the year

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

The parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total Danish income tax payable by the Danish group companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Licences

Licenses are measured at cost less accrued amortisation. Licenses are amortised over the contract period, however, for a maximum of 5 years.

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Accounting policies

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-6 years	0 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the group holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value of the asset being leased or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The group's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

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

Accounting policies

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

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

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

Investments

Investments in group enterprises

Investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 10 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

Investments in group enterprises with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Accounting policies

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress cannot be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Accounting policies

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Reserve for foreign currency translation

The reserve for foreign currency translation arises when translating accounting items in foreign currency.

The reserve is dissolved once the value adjustments have been applied or reversed.

The reserve is distributable.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

As administration company, New Global Boiler Holding A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

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

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

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

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

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

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

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

Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the group has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the group.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

When it is likely that the total costs will exceed the total income of contract work in progress, the total expected loss on the contract work in progress will be recognised as provisions for liabilities. The provision is recognised under production costs.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

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

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

No statement of cash flow has been prepared for the parent company, as the company's cash flows are included in the statement of cash flow for the group, cf. section 86, subsection 4, of the Danish Financial Statements Act.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are calculated as the group's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under “Interest income and dividend received”.

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and short-term financial instruments with a term of less than 3 months, which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.