



RSM

RSM Danmark

Statsautoriseret
Revisionspartnerselskab

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Resource Denmark ApS

Veldbæk Industrivej 18, 6705 Esbjerg Ø

Company reg. no. 42 51 51 91

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 28 June 2024.

Lee James Hodder
Chairman of the meeting

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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 Resource Denmark ApS 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 financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

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.

Esbjerg, 28 June 2024

Managing Director

Lars Hedegaard Kristensen

Board of directors

Lee James Hodder

Amie Louise Stringer

Thomas Steenbuch Tharaldsen

Martin Sichelkow

Synnøve Bjørke

Teresa Rebuelta Merino

Independent auditor's report

To the Shareholders of Resource Denmark ApS

Opinion

We have audited the financial statements of Resource Denmark ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

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

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 Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Independent auditor's report

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

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

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.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, 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.

Skive, 28 June 2024

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Kenny Dam Handberg

State Authorised Public Accountant
mne43515

Company information

The company

Resource Denmark ApS
Veldbæk Industrivej 18
6705 Esbjerg Ø

Company reg. no. 42 51 51 91
Established: 1 July 2021
Domicile: Esbjerg
Financial year: 1 January - 31 December

Board of directors

Lee James Hodder
Amie Louise Stringer
Thomas Steenbuch Tharaldsen
Martin Sichelkow
Synnøve Bjørke
Teresa Rebuelta Merino

Managing Director

Lars Hedegaard Kristensen

Auditors

RSM Danmark Statsautoriseret Revisionspartnerselskab
Frugtparken 3
7800 Skive

Management's review

Description of key activities of the company

Like previous years, the activities are to collect, sort and process plastic material for recycling, as well as other related activities at the board's discretion.

Development in activities and financial matters

The income statement for the period 01.01. - 31.12.2023 shows a net profit or loss of tDKK -33.379. The balance sheet shows an equity of tDKK. 85.544. Management considers the net profit or loss for the year satisfactory, since the company is in the startup phase.

The financial year has been characterized by the construction of buildings and sorting facilities as well as related consultancy.

Events occurring after the end of the financial year

After the end of the financial year, no events have occurred which may change the financial position of the entity as of 31.12.2023 substantially.

Accounting policies

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

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 company and the value of the asset can be reliably measured.

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

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

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

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

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.

Accounting policies

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

Income statement

Gross loss

Gross loss comprises the cost of sales, other operating income, and external costs.

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 salary reimbursements received.

Other external expenses comprise expenses incurred for sales, advertising, administration, premises, and operational leasing costs.

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 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, realised and unrealised capital gains and losses relating to debt and transactions in foreign currency, as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

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

Statement of financial position

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.

Accounting policies

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.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Plant and machinery	10 years
Other fixtures and fittings, tools and equipment	5 years

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.

Property, plant, and equipment in progress

Property, plant, and equipment in progress are measured and recognised as the total costs incurred. When the work has been completed, the total value is transferred to the relevant item under property, plant, and equipment and is amortised from the date of entry into service.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Inventories

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

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.

Prepayments

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

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Income tax and deferred tax

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.

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.

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

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

Liabilities other than provisions

Liabilities concerning payables to suppliers, shareholders, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	-7.340.299	-9.523.486
1 Staff costs	-4.898.216	0
Depreciation and impairment of property, land, and equipment	-87.231	0
Operating profit	-12.325.746	-9.523.486
Other financial income	2.484.273	814.261
Other financial expenses	-23.537.268	-5.435.722
Pre-tax net profit or loss	-33.378.741	-14.144.947
Tax on net profit or loss for the year	0	41.202
Net profit or loss for the year	-33.378.741	-14.103.745
Proposed distribution of net profit:		
Allocated from retained earnings	-33.378.741	-14.103.745
Total allocations and transfers	-33.378.741	-14.103.745

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Assets		
Non-current assets		
Plant and machinery	3.856.075	0
Other fixtures, fittings, tools and equipment	1.292.003	0
Property, plant and equipment in progress and prepayments for property, plant and equipment	727.644.140	299.496.059
Total property, plant, and equipment	<u>732.792.218</u>	<u>299.496.059</u>
Deposits	11.985	0
Total investments	<u>11.985</u>	<u>0</u>
Total non-current assets	<u>732.804.203</u>	<u>299.496.059</u>
Current assets		
Raw materials and consumables	2.344.418	0
Total inventories	<u>2.344.418</u>	<u>0</u>
Trade receivables	541.729	0
Receivables from participating interest	32.708	19.229
Tax receivables from group enterprises	0	41.202
Other receivables	49.551.881	25.922.753
Prepayments	301.489	1.061.304
Total receivables	<u>50.427.807</u>	<u>27.044.488</u>
Cash and cash equivalents	<u>35.550.952</u>	<u>99.781.946</u>
Total current assets	<u>88.323.177</u>	<u>126.826.434</u>
Total assets	<u>821.127.380</u>	<u>426.322.493</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	100.002	100.002
Share premium	132.937.408	132.937.408
Retained earnings	-47.492.958	-14.114.217
Total equity	<u>85.544.452</u>	<u>118.923.193</u>
 Liabilities other than provisions		
Payables to shareholders and management	<u>631.876.216</u>	<u>273.547.074</u>
Total long term liabilities other than provisions	<u>631.876.216</u>	<u>273.547.074</u>
 Bank loans	0	6.488
Prepayments received from customers	541.729	0
Trade payables	100.512.971	32.528.787
Payables to shareholders and management	1.890.023	1.316.951
Other payables	<u>761.989</u>	<u>0</u>
Total short term liabilities other than provisions	<u>103.706.712</u>	<u>33.852.226</u>
 Total liabilities other than provisions	<u>735.582.928</u>	<u>307.399.300</u>
 Total equity and liabilities	<u>821.127.380</u>	<u>426.322.493</u>

2 Charges and security

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2023	100.002	132.937.408	-14.114.217	118.923.193
Retained earnings for the year	<u>0</u>	<u>0</u>	<u>-33.378.741</u>	<u>-33.378.741</u>
	<u>100.002</u>	<u>132.937.408</u>	<u>-47.492.958</u>	<u>85.544.452</u>

Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	4.353.279	0
Pension costs	509.644	0
Other costs for social security	<u>35.293</u>	<u>0</u>
	<u>4.898.216</u>	<u>0</u>
Average number of employees	<u>7</u>	<u>0</u>

2. Charges and security

As security for suppliers, deposit accounts have been pledged for a total value of tDKK 9.000 as of 31 December 2023.