
Copenhagen Energy Trading A/S

Bag Elefanterne 1 st. th, DK-1799 København V

Annual Report for 2023

CVR No. 42 52 69 91

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 19/4 2024

Andreas Niels von
Rosen
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Copenhagen Energy Trading A/S for the financial year 1 January - 31 December 2023.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations and cash flows for 2023.

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

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

København V, 19 April 2024

Executive Board

Jasmin Bejdic
CEO

Board of Directors

Andreas Niels von Rosen
Chairman

Zlatan Bejdic

Daniel Asbjørn Madsen

Jasmin Bejdic

Independent Auditor's report

To the shareholders of Copenhagen Energy Trading A/S

Opinion

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

We have audited the Financial Statements of Copenhagen Energy Trading A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

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

Management's responsibilities for the Financial Statements

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

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

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

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

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

Aarhus C, 19 April 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Mads Meldgaard

State Authorised Public Accountant

mne24826

Martin Stenstrup Toft

State Authorised Public Accountant

mne42786

Company information

The Company	Copenhagen Energy Trading A/S Bag Elefanterne 1 st. th DK-1799 København V CVR No: 42 52 69 91 Financial period: 1 January - 31 December Incorporated: 6 July 2021 Financial year: 2nd financial year Municipality of reg. office: Copenhagen
Board of Directors	Andreas Niels von Rosen, chairman Zlatan Bejdic Daniel Asbjørn Madsen Jasmin Bejdic
Executive Board	Jasmin Bejdic
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Jens Chr. Skous Vej 1 DK-8000 Aarhus C

Financial Highlights

Seen over a 2-year period, the development of the Company is described by the following financial highlights:

	<u>2023</u>	<u>2021/22</u>
	TEUR 12 months	TEUR 18 months
Key figures		
Profit/loss		
Profit/loss of primary operations	12,215	7,120
Net profit/loss for the year	9,558	5,394
Balance sheet		
Balance sheet total	19,424	11,259
Equity	15,221	5,663
Number of employees	9	4
Ratios		
Return on assets	62.9%	63.2%
Solvency ratio	78.4%	50.3%
Return on equity	91.5%	190.5%

Management's review

Key activities

The company's purpose is the purchase and sale of electricity, as well as business which, at the discretion of the board, is connected with this.

Development in the year

The income statement of the Company for 2023 shows a profit of EUR 9,558,429, and at 31 December 2023 the balance sheet of the Company shows a positive equity of EUR 15,221,213.

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

The result for 2023 slightly exceeded expectations from last year with a reported EUR 12,25 million of profit before tax compared to the estimated range of EUR 9 – 12 million.

Targets and expectations for the year ahead

Copenhagen Energy Trading expects to expand its business further in 2024 through scaling of current activities in Europe and increasing in geographic presence as the Company is currently entering the American short-term financial power markets.

The earnings before tax in 2024 is expected to be in the range EUR 11-14 million.

Unusual events

The financial position at 31 December 2023 of the Company and the results of the activities and cash flows of the Company for the financial year for 2023 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2023	2021/22
		EUR 12 months	EUR 18 months
Gross profit		14,135,048	8,434,682
Staff expenses	1	-1,920,475	-1,314,322
Profit/loss before financial income and expenses		12,214,573	7,120,360
Financial income		206,619	3,101
Financial expenses		-163,561	-201,567
Profit/loss before tax		12,257,631	6,921,894
Tax on profit/loss for the year	2	-2,699,202	-1,528,054
Net profit/loss for the year	3	9,558,429	5,393,840

Balance sheet 31 December

Assets

	Note	2023	2021/22
		EUR	EUR
Deposits	4	36,897	0
Fixed asset investments		36,897	0
Fixed assets		36,897	0
Trade receivables		6,418,674	6,537,348
Other receivables		3,645,340	2,824,299
Prepayments	5	4,312	0
Receivables		10,068,326	9,361,647
Current asset investments	6	1,473,519	0
Cash at bank and in hand		7,845,018	1,897,417
Current assets		19,386,863	11,259,064
Assets		19,423,760	11,259,064

Balance sheet 31 December

Liabilities and equity

	Note	2023	2021/22
		EUR	EUR
Share capital		134,472	134,472
Retained earnings		11,036,741	5,528,312
Proposed dividend for the year		4,050,000	0
Equity		15,221,213	5,662,784
Payables to owners and Management		0	2,614,047
Other payables		633,617	685,946
Long-term debt	7	633,617	3,299,993
Trade payables		1,756,260	10,458
Payables to group enterprises		92,900	42,000
Corporation tax		552,387	1,528,054
Other payables	7	1,167,383	715,775
Short-term debt		3,568,930	2,296,287
Debt		4,202,547	5,596,280
Liabilities and equity		19,423,760	11,259,064
Contingent assets, liabilities and other financial obligations	10		
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Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	EUR	EUR	EUR	EUR
Equity at 1 January	134,472	5,528,312	0	5,662,784
Net profit/loss for the year	0	5,508,429	4,050,000	9,558,429
Equity at 31 December	134,472	11,036,741	4,050,000	15,221,213

Cash flow statement 1 January - 31 December

	Note	2023	2021/22
		EUR 12 months	EUR 18 months
Result of the year		9,558,429	5,393,840
Adjustments	8	2,656,144	1,726,520
Change in working capital	9	1,555,481	-8,668,662
Cash flow from operations before financial items		13,770,054	-1,548,302
Financial income		173,545	3,101
Financial expenses		-144,337	-126,319
Cash flows from ordinary activities		13,799,262	-1,671,520
Corporation tax paid		-3,674,869	0
Cash flows from operating activities		10,124,393	-1,671,520
Fixed asset investments made etc		-36,897	0
Cash flows from investing activities		-36,897	0
Repayment of other long-term debt		-2,666,376	0
Raising of other long-term debt		0	3,299,993
Cash capital increase		0	268,944
Cash flows from financing activities		-2,666,376	3,568,937
Change in cash and cash equivalents		7,421,120	1,897,417
Cash and cash equivalents at 1 January		1,897,417	0
Exchange adjustment of current asset investments		44,591	0
Cash and cash equivalents at 31 December		9,363,128	1,897,417
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		7,845,018	1,897,417
Current asset investments		1,473,519	0
Cash and cash equivalents at 31 December		9,318,537	1,897,417

Notes to the Financial Statements

	2023	2021/22
	EUR 12 months	EUR 18 months
1. Staff Expenses		
Wages and salaries	1,873,383	1,286,980
Other social security expenses	4,845	2,074
Other staff expenses	42,247	25,268
	<u>1,920,475</u>	<u>1,314,322</u>

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Average number of employees	<u>9</u>	<u>4</u>
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	2023	2021/22
	EUR 12 months	EUR 18 months
2. Income tax expense		
Current tax for the year	2,699,202	1,528,054
	<u>2,699,202</u>	<u>1,528,054</u>

	2023	2021/22
	EUR	EUR
3. Profit allocation		
Proposed dividend for the year	4,050,000	0
Retained earnings	5,508,429	5,393,840
	<u>9,558,429</u>	<u>5,393,840</u>

	Deposits
	EUR
4. Other fixed asset investments	
Cost at 1 January	0
Additions for the year	36,897
Cost at 31 December	<u>36,897</u>
Carrying amount at 31 December	<u>36,897</u>

Notes to the Financial Statements

5. Prepayments

Prepayment consist mainly of prepaid expenses relating to insurance.

6. Fair values

	Value adjustment, income statement	Fair value at 31 December
	EUR	EUR
Obligationer	12,933	1,473,519
	<u>2023</u>	<u>2021/22</u>
	EUR	EUR

7. 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:

Payables to owner and Management

After 5 years	0	0
Between 1 and 5 years	0	2,614,047
Long-term part	0	2,614,047
Within 1 year	0	0
	<u>0</u>	<u>2,614,047</u>

Other payables

After 5 years	0	139,000
Between 1 and 5 years	633,617	546,946
Long-term part	633,617	685,946
Within 1 year	53,854	0
Other short-term payables	1,113,529	715,775
	<u>1,801,000</u>	<u>1,401,721</u>

Notes to the Financial Statements

	2023	2021/22
	EUR 12 months	EUR 18 months
8. Cash flow statement - Adjustments		
Financial income	-206,619	-3,101
Financial expenses	163,561	201,567
Tax on profit/loss for the year	2,699,202	1,528,054
	2,656,144	1,726,520
	2023	2021/22
	EUR 12 months	EUR 18 months
9. Cash flow statement - Change in working capital		
Change in receivables	-692,829	-9,436,895
Change in trade payables, etc	2,248,310	768,233
	1,555,481	-8,668,662
	2023	2021/22
	EUR	EUR
10. Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with bankers:		
Liquid funds with carrying amount of:	101,122	693,229
Security portfolio with carrying amount of:	1,473,692	0
As security for bank debt and other payables, a corporate mortgage of TEUR 671 has been issued, in the company's trade receivables, other fixtures and fittings, tools and equipment and intellectual property right. The value of these assets as of 31 December 2023 constitute:	11,379,964	6,537,348
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	18,328	0
Between 1 and 5 years	58,038	0
	76,366	0

Notes to the Financial Statements

	<u>2023</u>	<u>2021/22</u>
	EUR	EUR
10. Contingent assets, liabilities and other financial obligations		
Guarantee obligations		
The Company has placed payment guarantees to counterparties of:	905,000	830,473
Other contingent liabilities		
The Company has entered into contractual obligations due within 1 month. The obligations amounts to:	901,388	0
The Company has entered into service agreements with a remaining term of 51 months. The contract's notice period is 3 months and amounts to:	12,076	0
The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Copenhagen Energy A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.		

11. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
Controlling interest	
Copenhagen Energy A/S, CVR-nr. 41 52 97 33	Parent Company

Transactions

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

Consolidated Financial Statements

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

<u>Name</u>	<u>Place of registered office</u>
Copenhagen Energy A/S, CVR-nr. 41 52 97 33	Copenhagen

Notes to the Financial Statements

12. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

13. Accounting policies

The Annual Report of Copenhagen Energy Trading A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in EUR.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Copenhagen Energy A/S, CVR-nr.: 41 52 97 33, the Company has not prepared a cash flow statement.

Recognition and measurement

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.

Translation policies

EUR is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences 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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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.

Income statement

Revenue

Revenue from the sale of power and related services 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.

Notes to the Financial Statements

Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Cost of goods sold

Cost of goods sold includes the purchase of power for resale and transportation there of incurred to achieve revenue for the year. Furthermore, cost of sales includes changes in the fair values of derivative financial instruments.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, cost of goods sold and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

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 year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Copenhagen Energy A/S. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes.

Balance sheet

Other fixed asset investments

Other fixed asset investments consist of deposit.

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 insurance premiums.

Current Asset Investments

Current Asset Investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Notes to the Financial Statements

Equity

Dividend

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

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Loans 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.

Cash Flow Statement

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

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 .

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

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