

Fidelis New Energy Europe ApS

Masnedøgade 22, 1.

2100 København Ø

CVR No. 42848212

Annual Report 2023

2. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 28 June 2024

Lotte Kemplar
Chairman

Fidelis New Energy Europe ApS

Contents

Management's Statement	3
Independent Auditors' Report	4
Company Information	6
Management's Review	7
Accounting Policies	8
Income Statement	11
Balance Sheet	12
Statement of changes in Equity	14
Notes	15

Management's Statement

Today, Management has considered and adopted the Annual Report of Fidelis New Energy Europe ApS for the financial year 1 January 2023 - 31 December 2023.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

In our opinion, the 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.

Copenhagen, 28 June 2024

Executive Board

Dan Joseph Shapiro
Director

Bengt Arne Jarlsjo
Director

Brett David Buchanan
Director

Ulrik Dan Weuder
Director

Lotte Kemplar
Director

Independent Auditors' Report

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 for the financial year 1 January 2023 - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Fidelis New Energy Europe ApS for the financial year 1 January 2023 - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility 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 (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement 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 either liquidate the Company or suspend 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.

Independent Auditors' Report

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 additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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.

Copenhagen, 28 June 2024

**PricewaterhouseCoopers Statsautoriseret
Revisionspartnerselskab**

CVR-no. 33771231

Allan Knudsen
State Authorised Public Accountant
mne29465

Alexander Oliver Duschek
State Authorised Public Accountant
mne47774

Fidelis New Energy Europe ApS

Company details

Company	Fidelis New Energy Europe ApS Masnedøgade 22, 1. 2100 København Ø
CVR No.	42848212
Date of formation	22 November 2021
Registered office	København
Financial year	1 January 2023 - 31 December 2023
Executive Board	Dan Joseph Shapiro Bengt Arne Jarlsjo Brett David Buchanan Ulrik Dan Weuder Lotte Kemplar
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup CVR-no.: 33771231
Bank	SPAR NORD BANK A/S Skelagervej 15 9000 Aalborg

Management's Review

The Company's principal activities

The Company's principal activities consist in develop, build and operate facilities.

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK -753.305 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 35.797.435 and an equity of DKK 12.987.446.

Subsequent events

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

Accounting Policies

Reporting Class

The annual report of Fidelis New Energy Europe ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as selected rules applying to reporting class C entities.

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner (DKK).

General information

Basis of recognition and measurement

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of other operating income and consumables and other external expenses.

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Accounting Policies

Other external expenses

Other external expenses include expenses for distribution, advertising, administration, premises etc.

Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc.

Amortisation and impairment of tangible and intangible assets

Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Leasehold improvements	1-5 years	0%

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Leasehold improvements	1-5 years	0%
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Accounting Policies

Other fixed assets investments

Other fixed asset investments consist of deposits.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Income Statement

	Note	2023 kr.	2021/22 kr.
Gross profit/loss		6.853.502	7.023.149
Staff costs	1	-7.447.351	-7.166.291
Depreciation expense		-43.177	-86.355
Profit/loss before financial income and expenses		-637.026	-229.497
Financial income	2	235.175	0
Financial expenses	3	-351.454	-29.752
Profit/loss before tax		-753.305	-259.249
Tax		0	0
Profit/loss		-753.305	-259.249
Proposed distribution of profit			
Retained earnings		-753.305	-259.249
Distribution of profit/loss		-753.305	-259.249

Fidelis New Energy Europe ApS

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Assets			
Leasehold improvements		0	43.177
Property, plant and equipment		<u>0</u>	<u>43.177</u>
Deposits		175.175	175.175
Investments		<u>175.175</u>	<u>175.175</u>
Fixed assets		<u>175.175</u>	<u>218.352</u>
Receivables from group entities		32.804.373	10.923.672
Receivables		<u>32.804.373</u>	<u>10.923.672</u>
Cash and cash equivalents		<u>2.817.887</u>	<u>2.607.498</u>
Current assets		<u>35.622.260</u>	<u>13.531.170</u>
Assets		<u>35.797.435</u>	<u>13.749.522</u>

Fidelis New Energy Europe ApS

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Contributed capital		43.000	42.000
Share premium		13.957.000	10.958.000
Retained earnings		-1.012.554	-259.249
Equity		12.987.446	10.740.751
Trade payables		2.001.964	2.445.190
Payables to group enterprises		20.351.449	0
Other payables		456.576	563.581
Short-term liabilities		22.809.989	3.008.771
Liabilities		22.809.989	3.008.771
Liabilities and equity		35.797.435	13.749.522
Contingent liabilities	4		
Related parties	5		

Fidelis New Energy Europe ApS

Statement of changes in Equity

	Contributed capital	Retained earnings	Share premium	Total
Equity 1 January 2023	42.000	-259.249	10.958.000	10.740.751
Increase of capital	1.000	0	2.999.000	3.000.000
Profit (loss)	0	-753.305	0	-753.305
Equity 31 December 2023	43.000	-1.012.554	13.957.000	12.987.446

Notes

	2023	2021/22
1. Staff costs		
Wages and salaries	6.724.536	5.994.519
Post-employment benefit expense	560.850	417.338
Social security contributions	12.650	11.934
Other employee expense	149.315	742.500
	<u>7.447.351</u>	<u>7.166.291</u>
Average number of employees	<u>4</u>	<u>3</u>
2. Financial income		
Finance income arising from group enterprises	235.175	0
	<u>235.175</u>	<u>0</u>
3. Finance expenses		
Finance expenses arising from group enterprises	351.449	0
Other finance expenses	5	29.752
	<u>351.454</u>	<u>29.752</u>

4. Contingent liabilities

The company has entered into operating leases of DKK 243,514 at 31. december 2023

5. Related parties

Information about consolidated financial statement:

Fidelis New Energy Europe ApS is part of the Fidelis New Energy LLC concern, which is the ultimate parent company.

The consolidated accounts can be requested at the following address:

109 North Post Oak Lane

Suite 140

Houston, Texas 77024

United States