



Carbon Resources Alliance ApS

**Bredgade 30
1260 København K**

CVR no. 43 87 37 68

Annual report for 2023

(1st Financial year)

Adopted at the annual general
meeting on 14 May 2024

Frederik Steen Westenholz
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Carbon Resources Alliance ApS for the financial year 23 February - 31 December 2023.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 23 February - 31 December 2023.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 14 May 2024

Executive board

Frederik Steen Westenholz
Director

Independent auditor's report on extended review

To the shareholder of Carbon Resources Alliance ApS

Opinion

We have performed extended review of the financial statements of Carbon Resources Alliance ApS for the financial year 23 February - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the performed work it is our opinion, that the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 23 February - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the 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.

Independent auditor's report on extended review

Auditor's responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

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 extended review 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 extended review, 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 Statements Act. We did not identify any material misstatement of management's review.

Independent auditor's report on extended review

Copenhagen, 14 May 2024

Harboe & B.
Godkendt Revisionsanpartsselskab
CVR no. 33 64 94 52

Mads Harboe Vainisto Nørring
Registreret revisor
MNE no. mne40120

Company details

The company

Carbon Resources Alliance ApS
Bredgade 30
1260 København K

CVR no.: 43 87 37 68

Reporting period: 23 February - 31 December 2023

Domicile: Copenhagen

Executive board

Frederik Steen Westenholz, director

Auditors

Harboe & B.
Godkendt Revisionsanpartsselskab
Prøvestensbroen 3
2300 København S

Management's review

Business review

The company's purpose is investment in securities etc.

Accounting policies

The annual report of Carbon Resources Alliance ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The annual report for 2023 is presented in USD

As 2023 is the company's first reporting period, no comparatives have been presented.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Accounting policies

Tax on profit/loss for the year

Tax treatment:

The company is qualified as a tax-exempt investment company subject to sec 3(1)(19) of the Danish Corporate Tax Act, which has been confirmed by the Danish Tax Agency in a binding ruling received on 24th October 2023. Implying that the company is tax exempt, except for certain dividends and interest payments received from other Danish based companies. There is consequently no recognition of tax in the income statement and the balance sheet.

Balance sheet

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are deposits at banks.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Tax treatment:

The company is qualified as a tax-exempt investment company subject to sec 3(1)(19) of the Danish Corporate Tax Act, which has been confirmed by the Danish Tax Agency in a binding ruling received on 24th October 2023. Implying that the company is tax exempt, except for certain dividends and interest payments received from other Danish based companies. There is consequently no recognition of tax in the income statement and the balance sheet.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Income statement 23 February - 31 December

	<u>Note</u>	<u>2023</u> USD
Gross profit		-84.144
Financial costs		-170.172
Profit/loss before tax		-254.316
Tax on profit/loss for the year		0
Profit/loss for the year		-254.316
Retained earnings		-254.316
		-254.316

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> USD
Assets		
Other receivables		<u>6.552.086</u>
Receivables		<u>6.552.086</u>
Cash at bank and in hand		<u>470.459</u>
Total current assets		<u>7.022.545</u>
Total assets		<u><u>7.022.545</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> USD
Equity and liabilities		
Share capital		475.073
Retained earnings		<u>-254.316</u>
Equity		<u>220.757</u>
Other payables		<u>6.801.788</u>
Total current liabilities		<u>6.801.788</u>
Total liabilities		<u>6.801.788</u>
Total equity and liabilities		<u><u>7.022.545</u></u>

Notes