

Hughes Energy Group International ApS

Lyskær 3, C, 2,

2730 Herlev

CVR No. 43878794

Annual Report 2023

1. financial year

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

Dane Dagnall McSpedon
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of Hughes Energy Group International ApS for the financial year 21 February 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 21 February 2023 - 31 December 2023.

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

The conditions for not conducting an audit of the Financial Statement have been met.

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

Herlev, 28 June 2024

Executive Board

Dane Dagnall McSpedon
Manager

Saira Nazneen
Manager

Hughes Energy Group International ApS

Company details

Company	Hughes Energy Group International ApS Lyskær 3, C, 2, 2730 Herlev
CVR No.	43878794
Date of formation	21 February 2023
Registered office	Herlev
Financial year	21 February 2023 - 31 December 2023
Executive Board	Dane Dagnall McSpedon Saira Nazneen

Management's Review

The Company's principal activities

The Company's principal activities consist in to run a business with the construction of technical facilities for the breakdown and recycling of organic waste and related business.

Development in activities and the financial situation

The Company's Income Statement of the financial year 21 February 2023 - 31 December 2023 shows a result of DKK -130.871 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 597.404 and an equity of DKK -90.871.

Post financial year events

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

Uncertainties relating to going concern

The company has lost more than 50% of the company capital and is thus covered by the rules on capital losses in the Companies Act. The management expects that the equity will be re-established within 3-4 years per the company's own earnings.

The company is dependent on the necessary financing being made available from the company's capital owners. That the management expects the necessary financing to be made available from the company's capital owners and presents i.a accordance with this annual report, subject to continued operation.

Accounting Policies

Reporting Class

The annual report of Hughes Energy Group International ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual rules from class C.

As the financial year 2023 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency

The annual report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

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.

Accounting Policies

Income statement

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.

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses 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.

Financial expenses

Financial expenses are recognised in the income statement based at the amounts that concern the financial year. Financial expenses include interest expenses.

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

Deposits

Deposits are measured at cost.

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.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

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

Equity

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

Accounting Policies

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Other payables

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

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

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Income Statement

	Note	2023 kr.
Gross profit		-167.677
Employee benefits expense	2	0
Profit from ordinary operating activities		-167.677
Other finance expenses		-106
Profit from ordinary activities before tax		-167.783
Tax expense on ordinary activities		36.912
Profit		-130.871
Proposed distribution of results		
Retained earnings		-130.871
Distribution of profit		-130.871

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Balance Sheet as of 31 December

	Note	2023 kr.
Assets		
Deposits, investments		5.000
Investments		5.000
Fixed assets		5.000
Current deferred tax		36.912
Other short-term receivables		43.992
Deferred income		511.500
Receivables		592.404
Current assets		592.404
Assets		597.404

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Balance Sheet as of 31 December

	Note	2023 kr.
Liabilities and equity		
Contributed capital		40.000
Retained earnings		-130.871
Equity	1	<u>-90.871</u>
Debt to banks		5.682
Trade payables		2.452
Payables to group enterprises		655.141
Other payables		25.000
Short-term liabilities other than provisions		<u>688.275</u>
Liabilities other than provisions within the business		<u>688.275</u>
Liabilities and equity		<u>597.404</u>
Contingent liabilities	3	
Collaterals and assets pledges as security	4	

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Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 21 February 2023	40.000	0	40.000
Profit (loss)	0	-130.871	-130.871
Equity 31 December 2023	40.000	-130.871	-90.871

The share capital has remained unchanged since the establishment.

Notes

1. Uncertainties relating to going concern

The company has lost more than 50% of the company capital and is thus covered by the rules on capital losses in the Companies Act. The management expects that the equity will be re-established within 3-4 years per the company's own earnings.

The company is dependent on the necessary financing being made available from the company's capital owners. That the management expects the necessary financing to be made available from the company's capital owners and presents i.a accordance with this annual report, subject to continued operation.

2. Employee benefits expense

	2023
Average number of employees	<u>0</u>

3. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

4. Collaterals and securities

No securities or mortgages exist at the balance sheet date.