

ML Energy Solutions ApS

Tømmervej 6, 6650 Brørup
CVR no. 43 15 08 04

Annual report for 2024

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 27.06.25

Anders Christian Lindenberg
Dirigent

Company information etc.	3
Statement by the Executive Board and Board of Directors on the annual report	4
Independent auditor's report on extended review	5 - 7
Management's review	8
Income statement	9
Balance sheet	10 - 11
Statement of changes in equity	12
Notes	13 - 22

The company

ML Energy Solutions ApS
Tømmervej 6
6650 Brørup
Registered office: Brørup
CVR no.: 43 15 08 04
Financial year: 01.01 - 31.12

Executive Board

Mikkel Olesen Lomborg

Board of Directors

Mikkel Busck, chairman
Jesper Østergaard
Anders Christian Lindenberg

Auditors

Beierholm
Godkendt Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.24 - 31.12.24 for ML Energy Solutions ApS.

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 company's assets, liabilities and financial position as at 31.12.24 and of the results of the company's activities for the financial year 01.01.24 - 31.12.24.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Brørup, June 27, 2025

Executive Board

Mikkel Olesen Lomborg
CEO

Board of Directors

Mikkel Busck
Chairman

Jesper Østergaard

Anders Christian Lindenberg

Independent auditor's report on extended review

To the capital owners of ML Energy Solutions ApS

Conclusion

We have conducted an extended review of the financial statements of ML Energy Solutions ApS for the financial year 01.01.24 - 31.12.24, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including material accounting policy information. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the company's financial position at 31.12.24 and of the results of the company's operations for the financial year 01.01.24 - 31.12.24 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared 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' 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 evidence we have obtained is sufficient and appropriate to provide a basis for our basis for conclusion.

Material uncertainty regarding going concern

Without modifying our conclusion, we draw attention to the uncertainty regarding the company's ability to continue as a going concern. We refer to Note 1, in which management describes the uncertainty and its expectation that sufficient liquidity will be available in 2025. Accordingly, the financial statements have been prepared on a going concern basis. We agree with management's assessment.

Independent auditor's report on extended review

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of inquiries to management and others within the company, as appropriate, analytical procedures, the specifically required supplementary procedures as well as evaluation of 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 the financial statements.

Statement regarding the management's review

Management is responsible for the management's review.

Our conclusion on the financial statements does not cover the management's review, and we do not express any form of assurance conclusion there on.

In connection with our extended review of the financial statements, it is our responsibility to read the management's review and in doing so consider whether the 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 the management's review provides the information required by law and regulations.

Independent auditor's report on extended review

Based on the work we have performed, we conclude that the 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 the management's review.

Aarhus, June 27, 2025

Beierholm

Godkendt Revisionspartnerselskab
CVR no. 32 89 54 68

Jesper Resdal Thomsen
State Authorised Public Accountant
MNE-no. mne34536

Primary activities

The Company's activities consist of metalworking operations, including the provision of services and ongoing contract work

Development in activities and financial affairs

The income statement for the period 01.01.24 - 31.12.24 shows a profit/loss of DKK -2,204,028 against DKK -1,697,715 for the period 01.01.23 - 31.12.23. The balance sheet shows equity of DKK -3,061,732.

The Executive board does not find the financial report for the year to be satisfying.

Significant uncertainty as regards going concern

For going concern mention we refer to note 1.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note		
	2024 DKK	2023 DKK
	1,254,743	311,130
Gross profit		
2 Staff costs	-3,092,119	-1,768,413
	-1,837,376	-1,457,283
Loss before depreciation, amortisation, write-downs and impairment losses		
Depreciation and impairments losses of property, plant and equipment	-173,123	-103,825
Other operating expenses	0	-57,299
	-2,010,499	-1,618,407
Operating loss		
Financial income	33,190	12,990
3 Financial expenses	-226,719	-92,298
	-2,204,028	-1,697,715
Loss before tax		
Tax on loss for the year	0	0
	-2,204,028	-1,697,715
Loss for the year		
Proposed appropriation account		
Retained earnings	-2,204,028	-1,697,715
	-2,204,028	-1,697,715
Total		

Balance sheet

ASSETS			
		31.12.24	31.12.23
Note		DKK	DKK
	Leasehold improvements	69,091	89,007
	Other fixtures and fittings, tools and equipment	553,873	672,357
	Total property, plant and equipment	622,964	761,364
	Deposits	45,000	45,000
	Total investments	45,000	45,000
	Total non-current assets	667,964	806,364
	Raw materials and consumables	73,463	141,778
	Total inventories	73,463	141,778
4	Work in progress for third parties	0	535,847
	Trade receivables	29,084	388,806
	Other receivables	1,185,894	550,819
	Prepayments	159,553	250,654
	Total receivables	1,374,531	1,726,126
	Total current assets	1,447,994	1,867,904
	Total assets	2,115,958	2,674,268

Balance sheet

EQUITY AND LIABILITIES

Note		31.12.24 DKK	31.12.23 DKK
	Share capital	50,000	50,000
	Retained earnings	-3,111,732	-907,704
	Total equity	-3,061,732	-857,704
	Other payables	1,228,489	0
	Total long-term payables	1,228,489	0
	Payables to other credit institutions	993,193	1,047,293
	Trade payables	407,615	481,847
	Payables to group enterprises	415,234	409,403
	Other payables	2,133,159	1,593,429
	Total short-term payables	3,949,201	3,531,972
	Total payables	5,177,690	3,531,972
	Total equity and liabilities	2,115,958	2,674,268

⁵ Contingent liabilities

⁶ Charges and security

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Total equity
Statement of changes in equity for 01.01.24 - 31.12.24			
Balance as at 01.01.24	50,000	-907,704	-857,704
Net profit/loss for the year	0	-2,204,028	-2,204,028
Balance as at 31.12.24	50,000	-3,111,732	-3,061,732

1. Significant uncertainty as regards going concern

The company's financial position indicates uncertainty regarding its ability to continue as a going concern.

The company has invested in its ongoing efforts to secure construction contracts and to develop its organizational structure. These investments have been the primary cause of the loss for the year. By the end of the 2024 financial year, the company had secured a large number of contracts, which are expected to positively impact the results and cash flow in the coming years.

The shareholders are currently in the process of raising new capital. Ongoing negotiations with a strategic partner are expected to result in increased synergies that will positively affect daily operations, in addition to a capital contribution. The strategic partner is willing to provide soft funding ML Energy Solutions ApS through downpayment on a big project until a final agreement is reached.

In addition, management is developing a plan to expand credit facilities through a new collaboration with external credit providers.

The company's CEO and majority shareholder, Mikkel Lomborg, has declared that his company, Blackstone Limited, will not demand repayment of its loan of DKK 415k. The other owner, JØ Holding Lemvig ApS, has declared that it will not demand repayment of its loan of DKK 1,923k. JØ Holding Lemvig ApS has furthermore declared that it will provide ML Energy Solutions ApS with further funding in the range of 1,000k to 1,500k. Furthermore, CEO Mikkel Lomborg has stated that, if necessary, he will provide ML Energy Solutions ApS with the required funding for the remainder of 2025.

The Executive Board assesses that the company will be able to generate sufficient liquidity through its operations to continue as a going concern in the coming financial year. It is also the Executive Board's assessment that the company will be able to restore its equity through operations during 2025-2026.

	2024	2023
	DKK	DKK

2. Staff costs

Wages and salaries	2,740,938	1,561,259
Pensions	201,209	109,113
Other social security costs	29,971	19,016
Other staff costs	120,001	79,025
Total	3,092,119	1,768,413

Average number of employees during the year	5	3
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	2024	2023
	DKK	DKK

3. Financial expenses

Interest, group enterprises	17,881	15,303
Other financial expenses	208,838	76,995
Total	226,719	92,298

	31.12.24	31.12.23
	DKK	DKK

4. Work in progress for third parties

Work in progress for third parties	0	535,847
Total work in progress for third parties	0	535,847

5. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of 4-58 months and total lease payments of DKK 2.507k.

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends]for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

6. Charges and security

As security for debt to credit institutions of DKK 993k, a company charge has been provided comprising motor vehicles, other plant, fixtures and fittings, tools and equipment, inventories and trade receivables. The total carrying amount of the comprised assets is DKK 656k.

7. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

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 depreciation, amortisation, impairment losses and write-downs, 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 such assets 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 such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

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

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

7. Accounting policies - continued -**LEASES**

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT**Gross profit**

Gross profit comprises revenue, other operating income and raw materials and consumables and other external expenses.

Revenue

Income from the sale of services is recognised in the income statement in line with completion of services, which means that revenue corresponds to the selling price of the work performed for the year stated on the basis of the stage of completion at the balance sheet date (percentage of completion method).

Income from construction contracts involving the delivery of highly customised assets are recognised in the income statement as revenue according to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (percentage of completion method).

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

7. Accounting policies - continued -

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation and impairment losses

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value DKK
Leasehold improvements	5	0
Other plant, fixtures and fittings, tools and equipment	5	37,000

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other operating expenses

Other operating expenses comprise costs of a secondary nature in relation to the enterprise's activities, including costs relating to rental activities and losses on the sale of intangible assets and property, plant and equipment.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

7. Accounting policies - continued -**Tax on profit/loss for the year**

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET**Property, plant and equipment**

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

7. Accounting policies - continued -

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Inventories

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

7. Accounting policies - continued -

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Work in progress for third parties

Work in progress for third parties is measured at the selling price of the work performed less on-account invoicing made for each piece of work in progress.

The selling price is measured according to the stage of completion at the balance sheet date and total expected income from each piece of work in progress. The degree of completion for each piece of work in progress is normally calculated as the ratio between the resources spent and the total budgeted resource consumption. For some work in progress where the resource consumption cannot be used as a basis, the ratio between completed subactivities and the combined subactivities for the individual piece of work in progress is used instead.

When the selling price of a piece of work in progress cannot be determined reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual piece of work in progress is recognised under receivables or payables in the balance sheet depending on whether the net value of the selling price less prepayments received is positive or negative.

When it is likely that the total costs of the individual piece of work in progress will exceed total sales income, the total expected loss is recognised as a provision.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

7. Accounting policies - continued -

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.