InCommodities

Annual Report 2023
In Commodities Global ApS

1 January - 31 December 2023

Presentation of Annual Report
1 January - 31 December 2023

In Commodities Global ApS
Tangen 6, DK-8200 Aarhus N.

CVR No. 43 73 74 06

Margarita Boziki
Chairman of the General Meeting

Rethinking Energy Trading

InCommodities is a global technology company specializing in energy trading and renewables asset management. We trade power, gas, and environmental products. We support renewable asset owners in managing and optimizing the output from their solar and wind assets. Our transactions balance the energy markets by matching supply and demand, ensuring security of supply, and contributing to lower energy prices.

We have digitalized and automated every aspect of our value chain. We combine deep market insights with advanced technologies, allowing us to efficiently move energy across time and geographies, manage renewables output, and store energy until it is needed.

www.incommodities.com

Founded in 2017 in Aarhus, Denmark, InCommodities has grown from four founders to 200+ people with diverse nationalities and educational backgrounds. Headquartered in Aarhus, Denmark, we conduct trading activities across Europe, North America, and Asia Pacific. We have grown exponentially since our establishment, making us one of the world's fastest-growing energy trading companies.

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What we do

We specialize in energy trading and renewables asset management.

We challenge the status quo by rethinking how data and technology are used in energy trading.

Our ambition is to be the best workplace and support the transition to a net-zero future.

204 PEOPLE

24 Different nationalities

28 % Traders

27 % IT and software developers

24 % Finance, Risk, Compliance, Legal & Market Access, Strategic Business Development, People & Culture

21 % Quants and algorithmic traders

Headquarters
Based in Aarhus, Denmark

Austin, Texas

Singapore

Transactions
completed in 2023

9,935,132

Gas
traded in 2023

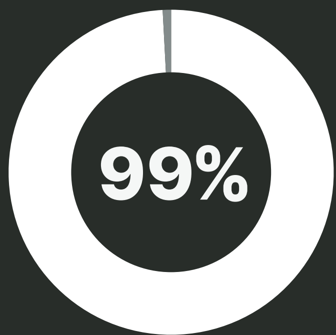
947.7 TWh

16 **Gas Markets**

Power
traded in 2023

213.7 TWh

35 **Power Markets**



In 2023, 99% of our trading activities took place outside Denmark

Rethinking Energy Trading since 2017

A Letter from Our CEO

When we founded InCommodities in 2017, we set out with a bold ambition: to rethink how data and technology can be used in energy trading, while fostering an exceptional workplace culture where every individual can thrive and excel. This dual focus on leveraging technological innovation to simplify, automate and scale our business, alongside our dedication to living out people-centric values laid the foundation for our journey.

Reflecting on the year 2023, I am proud to say that these cornerstones continue to be the pillars of our success. Our financial performance, measured by earnings, stands as the third-best year in InCommodities' history. Despite experiencing significantly reduced volatility in the markets and lower prices compared to the unprecedented conditions of the previous year, especially on the gas market, our 2023 results underscore our resilience and adaptability in navigating and balancing the ever-changing energy markets, contributing to both a stable supply of energy and market efficiency.

Central to this achievement, are the talented and exceptional individuals who make up our team. Not only did we manage a satifsfying financial result, but we achieved our highest-ever people engagement rate, emphasizing the tangible impact of our commitment to foster a workplace where people thrive. Despite significant growth, including welcoming 60+ new colleagues out of a total team of 200+, I am immensely proud that we have remained steadfast in our commitment to foster high levels of engagement. Our unique culture, the very foundation of InCommodities and what made us successful in the first place, continues to flourish, remaining both robust and vibrant. I have always emphasized that culture is our only true sustainable competitive advantage to drive our success, and I continue to believe that.

2023 has been a year of investing in our strategic objectives. In line with our commitment to supporting the green transition to net zero, we intensified our focus on renewables and sustainable initiatives in 2023. This included expanding our renewable portfolio, introducing new services and products, and earmarking a portion of our earnings to drive the green transition forward. As part of our InCommodities Sustainable Investment Initiative, where up to 5% of our annual earnings are allocated to advance the green transition, we have donated 25 million DKK to establish a new center for research in energy at Aarhus University, CoRE, dedicated to create new insight and knowledge about energy, environmental and climate economics in Denmark and internationally.

The turmoil experienced in the energy markets in 2022, coupled with increased margin calls that required substantial capital buffers and even led some energy traders to bankruptcy, left us uncertain about the potential aftereffects in 2023 and what scenarios to expect. This uncertainty prompted us to take proactive measures to strengthen our equity, enhancing our ability to manage potential financial risks more effectively. Consequently, a significant portion of our profits have been allocated towards fortifying our equity position, affecting return on equity compared to previous years.

Throughout the year, we have continued to navigate the evolving energy landscape with agility and innovation, utilizing cutting-edge technology and strategic partnerships to drive a positive change. Our commitment to supporting the transition towards net zero remains unwavering as we leverage our core strengths to pursue global opportunities to maximize our impact. The dedication and expertise of our team members have been and will continue to be instrumental in this progress.

On that note, I would like to take this opportunity to thank all our team members and partners for their support and dedication. Together, we will continue to shape the future of energy trading and make a meaningful impact on the world.

Thank you for your interest in InCommodities, and happy reading.

Kind regards,

Jesper Severin Johanson, CEO

Financial Highlights

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

Key figures	2023	2022	2021	2020	2019
	TEUR	TEUR	TEUR	TEUR	TEUR
Profit/loss					
Revenue	-	-	-	2,116,865	1,003,510
Gross profit	179,123	1,607,124	177,888	45,663	20,188
Operating profit before financial income and expenses and tax (EBIT)	140,785	1,388,565	142,813	34,018	14,664
Net financials	-4,377	-3,355	-1,945	-331	-113
Profit before tax (EBT)	136,408	1,385,210	140,854	33,687	14,551
Profit for the year	106,645	1,079,803	108,981	26,709	11,326
Balance sheet					
Balance sheet total	737,729	1,239,822	273,772	86,845	32,556
Investment in property, plant and equipment	-	-	-	-	-
Equity	618,641	712,330	122,294	44,263	20,853
Cash flows					
Cash flows from operating activities	-13,285	1,049,539	63,651	7,675	12,676
Cash flows from investing activities	-1,038	-1,131	-876	-21	-
Cash flows from financing activities	-348,653	-354,589	-9,104	17,244	-9,339
Change in cash and cash equivalents for the year	-362,976	693,819	53,671	24,898	3,337
Number of employees - average for the year	165	122	90	64	36
Key ratios					
Return on assets	19.1%	112.0%	52.2%	39.2%	45.0%
Solvency ratio	83.9%	57.5%	44.7%	51.0%	64.1%
Return on equity	17.2%	151.6%	89.1%	60.3%	54.3%

For definitions of financial key figures and ratios, please refer to note 1

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*The implementation of IFRS as from 1 January 2021 had an impact on the financial statements and key ratios for 2021 and onwards. Comparative figures for 2019 and 2020 have not been restated and were prepared in accordance with Danish GAAP.

Gross Profit	**€179m**	€1.6bn in 2022
Earnings	**€106.6m**	€1.08bn in 2022
Solvency Ratio	**83.9%**	57.5% in 2022
Return on Equity	**17.2%**	151.6% in 2022

The return on equity decreased in 2023 compared to previous years, as a significant portion of our 2022 profits has been allocated towards fortifying our equity position, which is also reflected in our solvency ratio. InCommodities intends to issue dividends to its shareholders, driven by the substantial capital reserve accumulated in 2022.

Navigating the Dynamic Energy Landscape

Entering 2023, we anticipated a risk that the volatility and turbulence experienced in the energy markets during 2022 would persist in some form. However, the year unfolded to be more normal, stable, and less dramatic than some scenarios had indicated. The European energy supply has proven to be more resilient and agile than anticipated.

In 2023, the energy markets returned to a more stable position, while we at InCommodities demonstrated the capacity of driving growth through our core strengths: Our focused efforts in trading power and gas balancing supply and demand, ensuring security of energy, and contributing to efficient energy markets, along with our commitment to support the green transition towards net zero. This accomplishment was made possible by our team, supported by our advanced technological foundation.

The previous year, 2022, marked a 100-year event characterized by unparalleled volatility in the markets and staggering gas prices following the war in Ukraine. While we anticipated that 2023 would return to some semblance of normalcy, we also expected that the turbulence from 2022 would continue to pose challenges. In reality, the energy crisis extended over six quarters, spanning from late 2021 until the early spring of 2023.

2023 proved to resemble 2021 and previous years, revealing the European energy sector to be more resilient and agile than initially anticipated. Despite the continued tragic situation in Ukraine and the strained relations between Russia and the West, the gas market remained stable. Meanwhile, the situation in the Middle East grew increasingly unstable, posing potential implications for energy markets. The fact that Europe did not experience as severe consequences as many in the energy sector feared can be attributed to a mild winter on the continent and industrial demand destruction, leading to reduced energy consumption across Europe coupled with improved LNG capacities and availability.

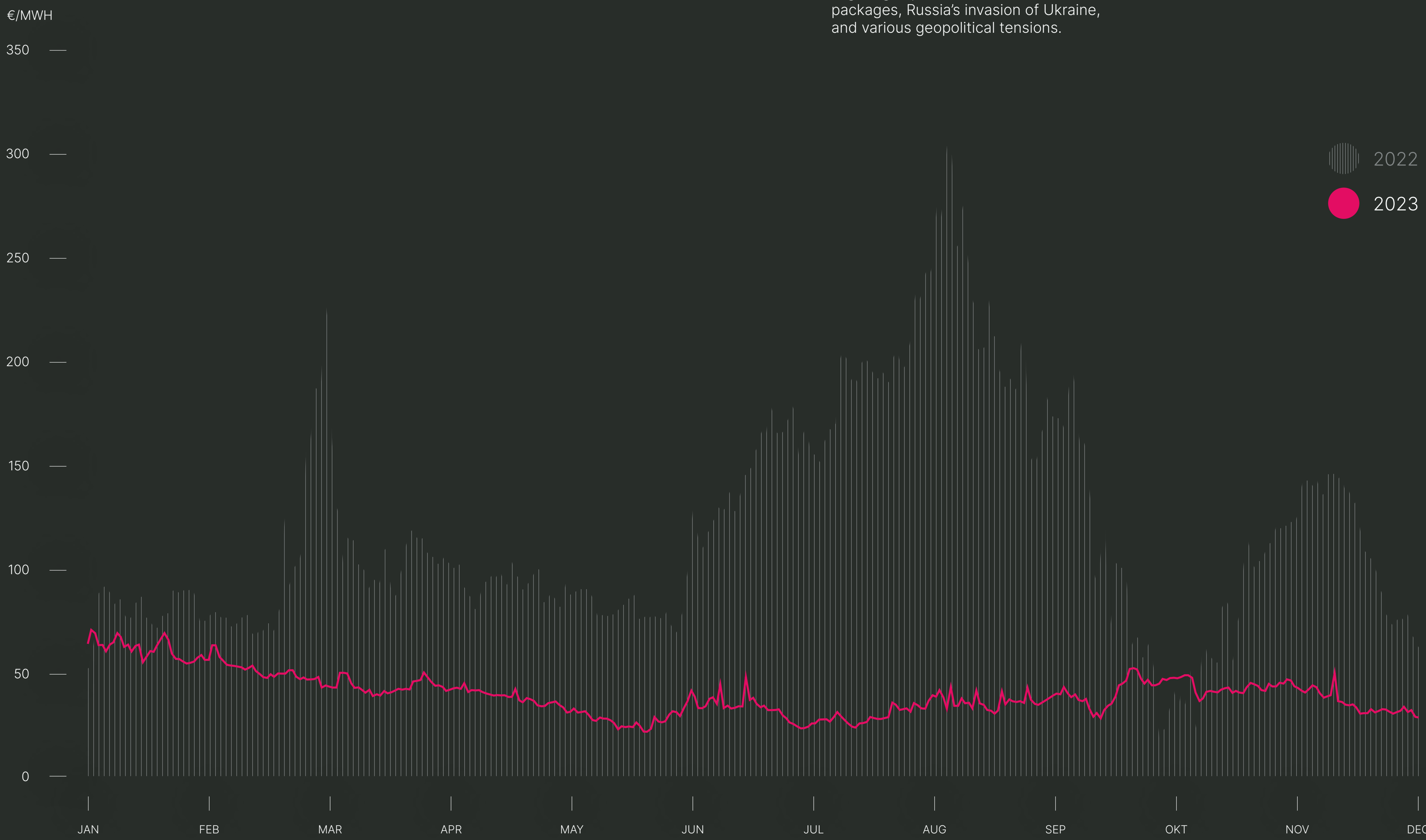
While the gas price experienced limited price fluctuations in 2023, the price of power remained low and stable as expected. Lower prices, reduced volatility and fewer market dislocations resulted in less risk and consequently fewer opportunities for an energy trading company like InCommodities. Despite this, our financial result in terms of earnings was the third highest for the company since our founding in 2017.

Price Stabilization in the 2023 Gas Markets

A year in review

While 2023 started with similar high price fluctuations compared to the same period in 2022, gas prices dropped during the year and reached a stable level with low volatility. This contrasted with the tumultuous landscape of 2022, characterized by unprecedented price swings driven by factors such as the lingering impacts of COVID-19 stimulus packages, Russia's invasion of Ukraine, and various geopolitical tensions.

The price stabilization in 2023 was attributed to factors such as mild winter conditions in Europe from late 2022 to early 2023, resulting in lower-than-expected energy demand. Coupled with ample gas in storage, the pressure eased, ultimately contributing to price stabilization.



Source: Derived from InCommodities dataset

Moreover, InCommodities found increasing opportunities in the market for renewables; an agenda we as a company, hold close to our DNA. In 2023, we launched a new business area, Renewables Asset Management, specializing in power purchase agreements. These agreements provide financial security to developers and owners of renewable energy production in the German market, while we also manage the complexities of the physical MWh produced. By the end of the year, our activity in this new business area rose by 200%, representing an increase from 410 to 1210 MW.

In 2023, we also laid the groundwork for our venture into other important business areas. We have established an Environmental Product team focusing on biomethane, as we anticipate its growing significance in Europe's energy mix as a green alternative and an increasingly important diversifier for the EU's gas supply. Additionally, the team focuses on the carbon markets – both the compliance and voluntary market – as well as renewable certificates, including Guarantees of Origin. These certificates assure buyers that the electricity generated comes from renewable energy sources.

Global presence

InCommodities continues to operate predominantly on a global scale, and 2023 was a year where the groundwork was laid for expanding our business operations globally – both in Europe and through planned initiatives for our work in North America and the Asian-Pacific region.

In the United States, we have expanded with more colleagues in our Austin, Texas office, and we aim to double the number of our colleagues based in and around our office in Texas by end of 2025. In January 2024, we are opening an office in Singapore and anticipate opening a Japan office later in the same year.

The past year further solidified our global reach, with 99% of revenue continuing to be generated outside of Denmark, which serves as the home base for our headquarters. Furthermore, we have strived to enhance our presence through the establishment and expansion of our international offices. This strategic move ensures that we have dedicated colleagues on the ground in key markets, providing us with a stronger foundation for scaling our business and maximizing impact across business areas in relevant markets.

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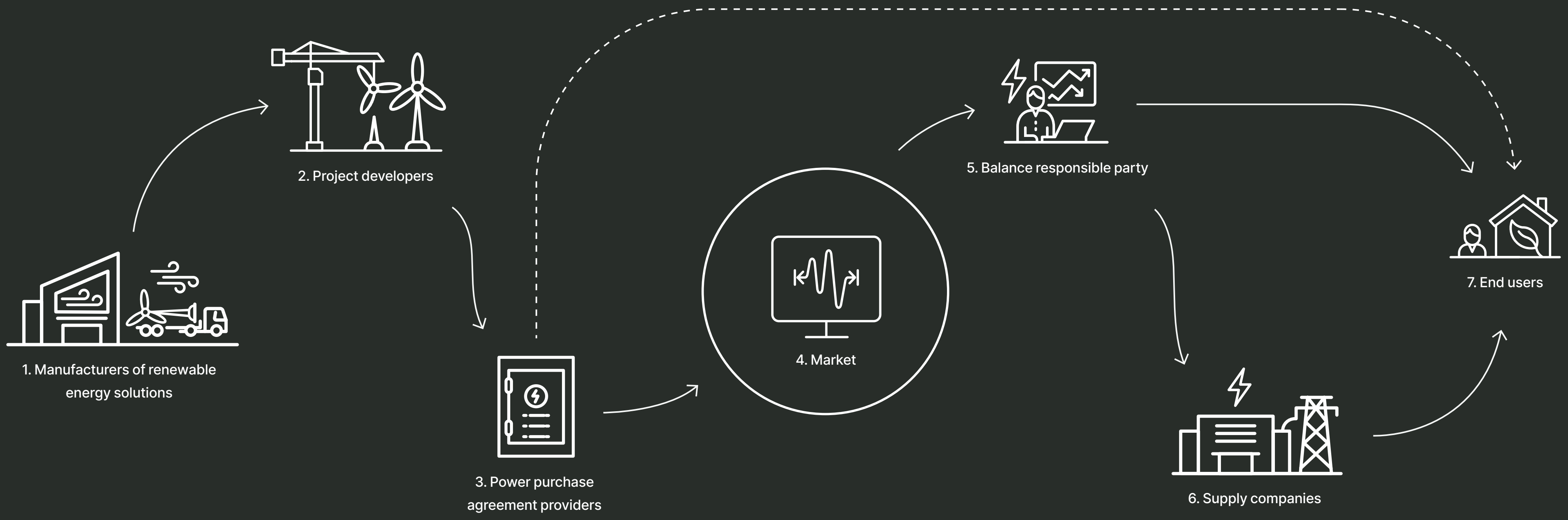
The energy markets were notably calmer in 2023 than the previous year, directly impacting our financial results. As problem-solvers in the energy sector, our performance reflects the industry’s challenges. With 2023 presenting fewer obstacles, our strong results stand out. I am proud of what our team has accomplished in a year with limited opportunities.

Christian Bach
CFO

A different landscape

After a turbulent 2022 marked by extraordinary volatility, the energy trading industry has garnered increased public and political attention. The energy crisis shed light on the vulnerabilities and complexities within the energy sector, prompting stakeholders and regulators to scrutinize market dynamics and regulations more closely. We perceive this as a recognition of our strategic importance and societal impact, as we play a crucial role in balancing supply and demand, ensuring energy security, and stability. We have responded accordingly, dedicating more time to external communication. Following a 16-18 month-long energy crisis, we have significantly improved our ability to manage the attention and challenges that come with increased public and political scrutiny. The increased attention has positively impacted the public understanding of our industry and the recognition of its importance.



The Renewable Energy Value Chain

Renewable energy is playing an increasingly significant role in the global economy by mitigating the impact of climate change and ensuring energy security. There are several market players in this chain, each contributing their unique value to accelerate the transition towards sustainable energy.

1. Manufacturers of renewable energy solutions
These companies produce renewable energy technologies such as wind turbines and solar panels, which are essential for the generation of clean energy.

2. Project developers
Project developers and renewables asset owners manage the process of securing land, permits, financing, and ensure that renewable energy projects meet environmental standards and deliver long-term value.

3. Power purchase agreement providers
Power Purchase Agreements (PPA) providers facilitate the financing of renewable projects by assuming and managing the risks associated with unstable renewable output. This enables asset owners to benefit from stable cash flow and reliable management of physical electricity. Additionally, PPA providers can directly connect corporate customers with renewable energy projects and facilitate ongoing energy supply. The utilization of corporate PPAs empowers companies to reduce their carbon footprint, accomplish sustainability goals, and stabilize energy costs.

4. Market
The energy market serves as the backbone of the liberalized energy industry, enabling transportation of energy across different geographies and time periods to balance supply and demand, as well as providing liquid markets to hedge against exposure to energy price fluctuations.

5. Balance responsible party
The main role of a BRP is to forecast, schedule, and balance the power demand by purchasing power in the market that includes the renewable output.

6. Supply companies
Energy supply companies purchase electricity via a BRP and distribute it to households and businesses, ensuring efficient and reliable delivery to the End users.

7. End users
End users include residential, commercial and industrial customers.

Our Numbers

Energy Traded

InCommodities operates in 16 gas markets and 35 power markets across Europe, Asia Pacific, and North America, engaging in continuous trading year-round. In 2023, the energy markets experienced a return to stability, characterized by decreased volatility and notably lower demand compared to the turbulent conditions of 2022. This shift is evident in the volume of energy traded throughout 2023 compared to 2022. Building on our momentum from previous years, including 2021, InCommodities continued to increase its share of energy traded in the markets where we are present.

Gas

Power

2019
268.6 TWH

2020
490.6 TWH

2021
758.1 TWH

2022
1786.4 TWH

2023
1161.4 TWH

Our Numbers

Earnings Before Tax

In 2023, we achieved an EBT of EUR 136.4 million. While this represents a significant decrease compared to the 2022 EBT, it remains a very satisfying result, indicating our strong capability to generate profit even in market conditions with low volatility and limited opportunities.

2022
1,385 TEUR

2021
141 TEUR

2023
136 TEUR

Strategy

Keeping a Fixed Eye on Our Founding Principles

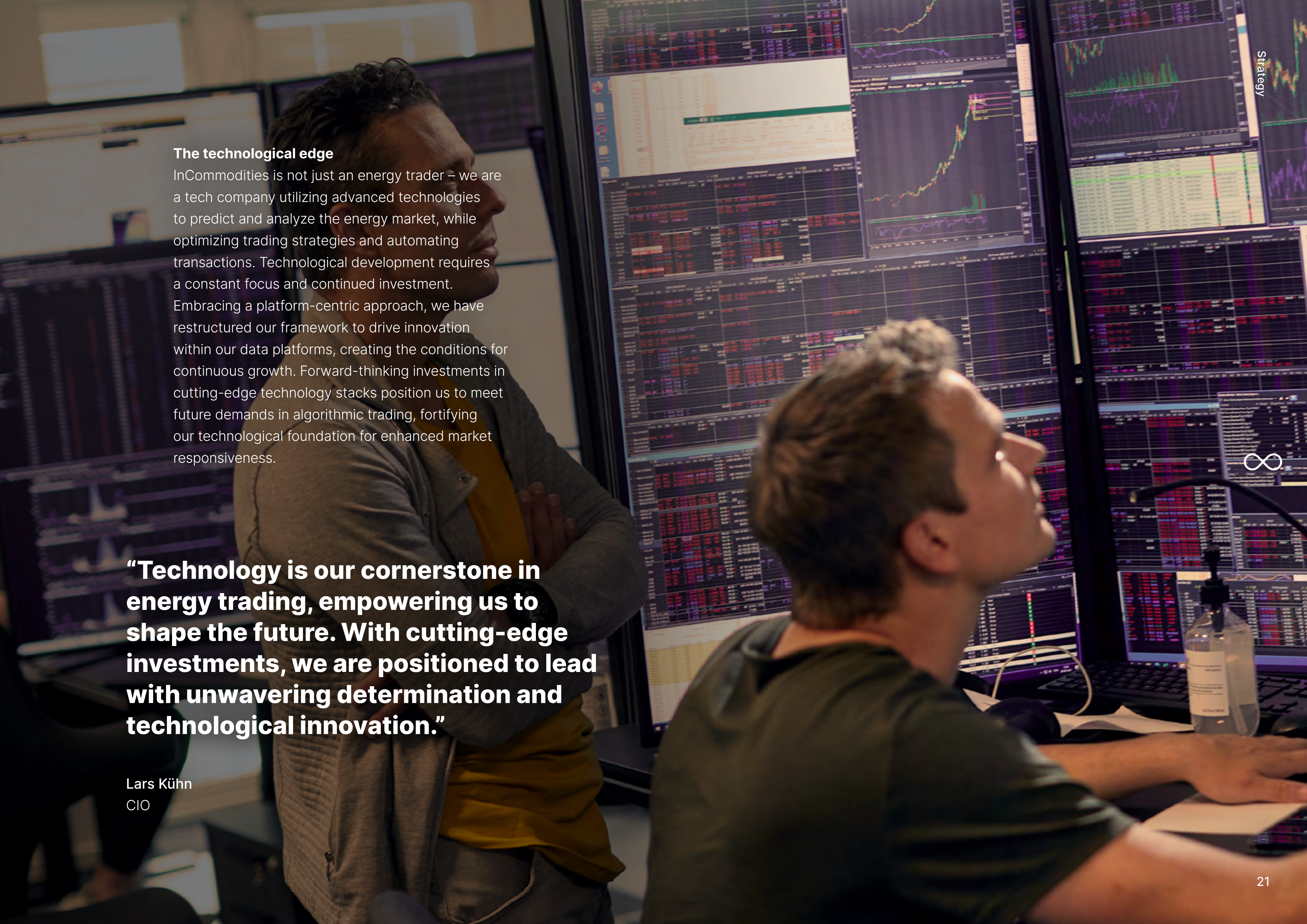
In our strategic outlook for the past year, we focused strongly on the key elements that have contributed to our success, and we will maintain this focus in the years to come.

This includes our commitment to balance the energy market of tomorrow to make the transition toward net zero possible. Our approach revolves around leveraging cutting-edge technologies and cultivating an innovative company culture where people thrive and perform. Our ambition is global presence, albeit reliant on liberalized and open markets for optimal performance. Remaining true to our core belief of supporting net zero, we trade only in energy sources that we deem essential for facilitating the transition to a sustainable future, including power, certificates, and natural gas, which we consider a crucial transitional fuel.

Attracting the right talent

The success of InCommodities rests entirely on a team of diverse, dedicated and talented people. To ensure continued success, we prioritize retaining and engaging our current team members while also seeking to attract new, highly skilled colleagues to join us in our global growth efforts. It is a strategic priority to continue our co-ownership model, offering shares and warrants in the company to our people. Furthermore, the personal and professional growth and development of our people and an intense focus on shared values and social activities stays at the core of InCommodities.

The continuation of our flat hierarchy structure and distributed decision-making is a top priority, ensuring agile and fast decision-making – a significance that only grows as the organization becomes larger and more global. However, as the organization expands, new opportunities arise to facilitate job satisfaction and nurture talent. Increasingly, we can offer internal mobility across geographies, allowing our people to move within teams, gaining insights into the value chain and our business. This mobility can lead to individuals transitioning to new roles or areas, supporting their growth and development.



The technological edge

InCommodities is not just an energy trader – we are a tech company utilizing advanced technologies to predict and analyze the energy market, while optimizing trading strategies and automating transactions. Technological development requires a constant focus and continued investment. Embracing a platform-centric approach, we have restructured our framework to drive innovation within our data platforms, creating the conditions for continuous growth. Forward-thinking investments in cutting-edge technology stacks position us to meet future demands in algorithmic trading, fortifying our technological foundation for enhanced market responsiveness.

"Technology is our cornerstone in energy trading, empowering us to shape the future. With cutting-edge investments, we are positioned to lead with unwavering determination and technological innovation."

Lars Kühn
CIO

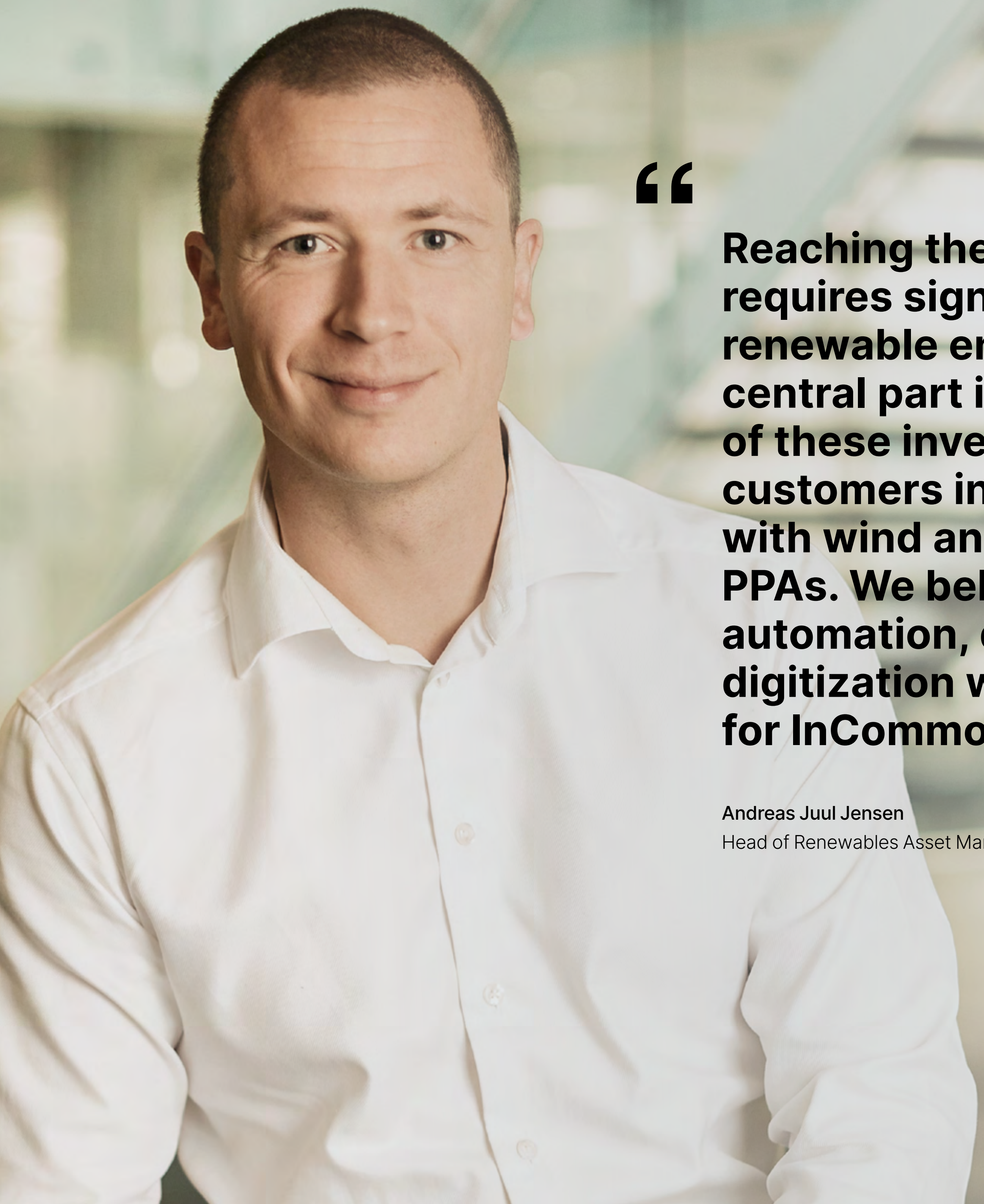
Supporting the green transition
As the global energy landscape swiftly transitions towards sustainable solutions to achieve net zero ambitions, the demand for balanced and efficient energy markets is on the rise. This shift presents new business opportunities for us where we can apply our expertise and capitalize on the principles of our digital forecasting and trading platform. Furthermore, we are dedicated to support the green transition through our 5% commitment, InCommodities Sustainable Investment Initiative.

Scaling renewables asset management business
In 2023, we continued to build and scale our strategic focus on renewables asset management. The business area was initiated in 2022, and the first PPA (power purchase agreements) contracts took effect in January 2023.
PPA contracts provide insurance for wind farms and other renewable energy producers against market risks, including fluctuating energy prices associated with green energy, which relies on the sun shining and the wind blowing.

During 2023, InCommodities continuously expanded its portfolio of PPA contracts through both existing and new customer relationships. As of January 2024, InCommodities has increased its portfolio from 410 MW to 1210 MW in Germany. We see great potential in the Nordics and APAC regions, specifically Denmark, Sweden, Finland, and Japan. These markets will be focal points in 2024 as we intensify our efforts to expand our PPA business across them.

In 2023, we expanded our power purchase agreement services to include various fixed-price products and Guarantee of Origin (GoO) certificates, alongside our existing balancing risk management agreements. These services not only generate revenue but also ensure stability for renewable energy owners, safeguarding their revenue from price fluctuations.

Environmental products
In 2023, we also laid the groundwork for our venture into other important business areas. We have established an Environmental Product team focusing on biomethane, as we anticipate its growing significance in Europe's energy mix as a green alternative and an increasingly important diversifier for the EU's gas supply. Additionally, the team focuses on the carbon markets - both regarding allowances for compliance and voluntary emission reductions - as well as renewable energy certificates including Guarantees of Origin. These certificates attest the renewable origin of energy and enable tracking of renewable power production from production to consumption, giving producers flexibility while promoting competitiveness for sustainable sources in the market. This provides



"Reaching the global targets for net zero requires significant investments into renewable energy. We are proud to play a central part in supporting the realization of these investments by supporting our customers in managing the risks associated with wind and solar assets in the form of PPAs. We believe that our high focus on automation, quantitative capabilities and digitization will provide great opportunities for InCommodities and our customers.

Andreas Juul Jensen
Head of Renewables Asset Management

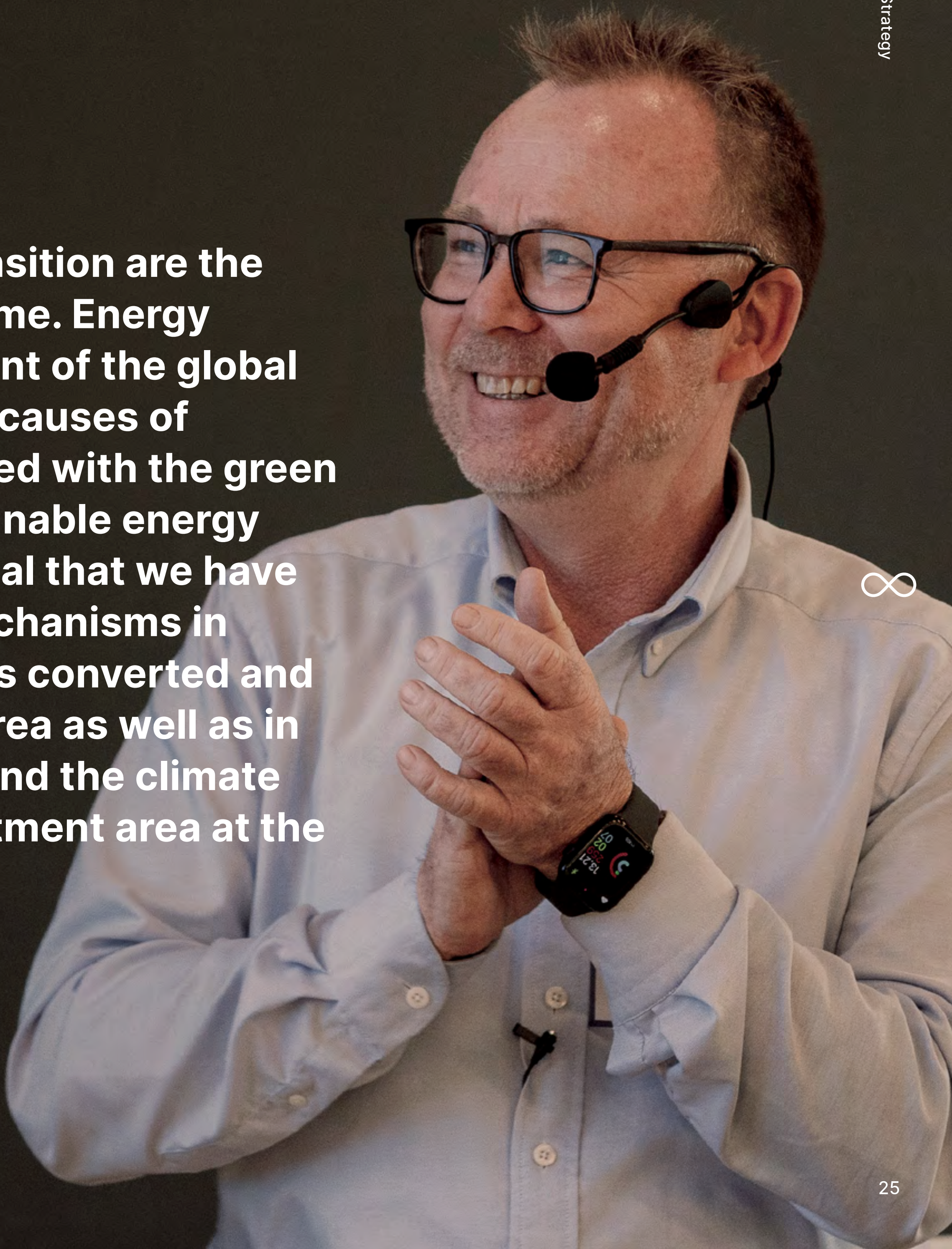
additional income for the producer, thereby incentivizing renewable energy production which can help make renewable energy production more profitable to invest in.

Establishing a center for research in energy
As committed in the InCommodities Sustainable Investment Initiative launched in 2022, we continuously target to spend 5% of our yearly earnings on investments in initiatives that support the transition towards net zero.

InCommodities donated DKK 25 million to the establishment of the Center for Research in Energy (CoRE) at Aarhus University which launched on January 1st, 2024. The research center will unite research in energy, environmental and climate economics with a focus on quantitative methods and their development, thus providing the knowledge upon which future energy markets can be built. It will bring together various disciplines, reflecting the nature of energy systems, educate a considerable number of PhDs, host international conferences in Aarhus, and collaborate with the most impactful researchers in the world.

Aarhus is home to a cluster of energy trading companies that have increased their market share in the global energy market in recent years. The majority of the sector's talent pool is highly educated, and the establishment of CoRE contributes positively to the sector's future development scope within sustainability.

We firmly believe in fostering knowledge about the global energy markets and their importance to the green transition is crucial for accelerating the transition towards net zero. The complexity of the energy markets and the increased level of sustainable energy sources calls for research and education at a new level. Supporting an innovative and future-oriented research center such as CoRE enables us to contribute to this goal.



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Climate change and the green transition are the major societal challenges of our time. Energy consumption is a critical component of the global economy but also one of the main causes of climate change. If we are to succeed with the green transition and achieve more sustainable energy consumption, it is absolutely crucial that we have in-depth understanding of the mechanisms in those markets, where the energy is converted and traded. Focused research in this area as well as in other aspects of energy markets and the climate will now become a strategic investment area at the department and at CoRE.

Niels Haldrup
Center leader, CoRE

InCommodities Sustainable Investment initiative

Through the InCommodities Sustainable Investment Initiative launched in 2022, we are committed to invest up to 5% of our annual earnings in infrastructure, knowledge, companies, or renewable assets that support the transition towards net zero. In 2023, in addition to our donation to the establishment of CoRE, we invested in Baltic forestry and Article 9 funds, which focus on sustainable investments. It is a lengthy and meticulous process of selecting projects that align with our aspirations, but we remain committed to our dedication to support the green transition, striving to identify sustainable projects where our impact can be long-lasting.

In 2022 we invested in a solar project in Favrskov municipality outside Aarhus, approximately 15km from our headquarters. We plan to transform a closed plant nursery with a capacity of up to 5.5 MW solar park, which will be able to power up to 1,200 households. Despite our initial target for operational readiness was set for 2024, unforeseen delays are casting uncertainty over the timeline for full operational deployment of the park. However, despite these challenges, we remain committed to seeing the project through to completion.

Being Aware of Our Potential Pitfalls

InCommodities employs a thorough risk management framework to ensure efficient governance and procedures. This approach to risk management is deeply ingrained in every part of the organization, with a risk policy reviewed at least once a year.

Within InCommodities, risk management operates on two tiers: strategic and operational. Strategic considerations and decisions form the basis for defining operational risk management protocols. These include aspects such as partnership structures, core values, leadership principles, recruitment and people engagement policies, and outsourcing guidelines.

Our policies are documented to include the key points suggested by FIA Principal Traders Group. In addition, we adhere to the guidelines and principles proposed by the Committee of European Banking Supervisors for governance of operational risk.

Market risk

Market risk is characterized as the risk of open positions changing value due to changes in supply, demand, and other market conditions.

In 2023, we witnessed improved signs of stabilization and a notable decrease in volatility. This followed a turbulent 2022 marked by record-high price fluctuations, largely influenced by the lingering effects of COVID-19 stimulus packages, Russia's invasion of Ukraine, and various geopolitical tensions.

Several key factors impacted and explained the price stabilization in 2023, including but not limited to:

- Mild winter conditions in Europe from late 2022 to early 2023 led to lower-than-expected energy demand. With ample gas in storage, the pressure eased, ultimately contributing to price stabilization.

- An increased supply of liquid natural gas in 2023, with a significant share of imports coming from the US.

- Significantly lower demand, which persisted even as prices decreased throughout the year.

These factors resulted in unseasonably filled storages by the end of Q1 2023, with storage inventories reaching record highs by the end of the injection season.

InCommodities has implemented several procedures to continuously maintain an appropriate level of market risk. Risk mandates are defined at several levels in the company based on Value at Risk (VaR) measurements with daily and monthly limits. Controlling mechanisms are integrated in the trading platform.

Liquidity risk

Liquidity risk is defined as InCommodities' risk of not being able to meet its payment obligations with partners and trading partners. Our experience is that we are operating in a market with more rigorous demands on capital; a natural after-effect following the immense liquidity challenges many market participants experienced in 2022, when requirements were up to 50 times greater than previously seen.

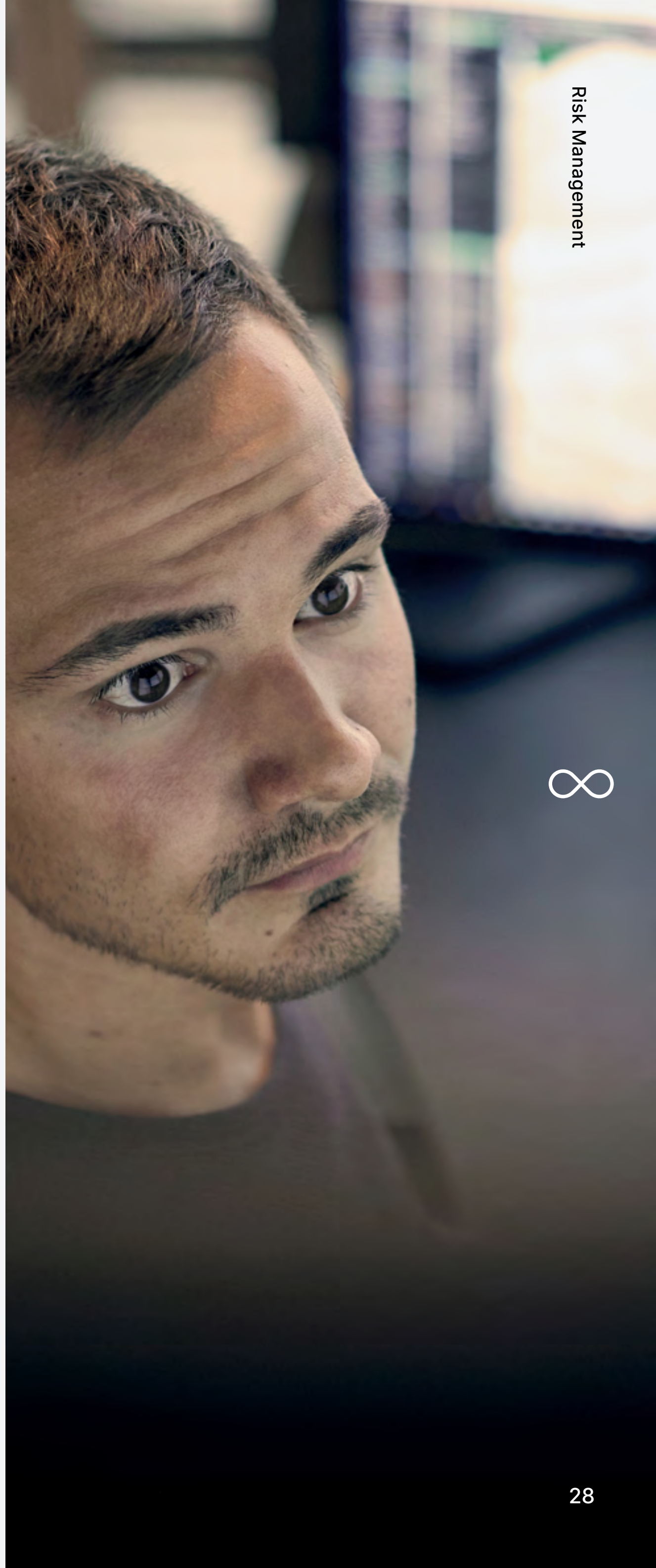
Without liquidity, we as energy traders cannot trade or run our core business, which is why we give this area top priority. For the same reason, we run a closely monitored forecasting and controlling operation, focused on our equity ratio and leverage of our balance sheet, so that we are constantly able to predict the need for capital.

During periods of wide-ranging market volatility, the cash requirements for margins are significantly increased to maintain an unchanged activity level. In addition to our procedures for trading limits, etc., we manage this by maintaining a close dialogue with our permanent banking partners.

Our profitability has enabled us to continuously amass a steadily increasing capital reserve, which cushions us against future periods of crisis involving volatile markets.

Compliance risk

At InCommodities, we recognize a spectrum of risks inherent in our operations, which demand vigilant oversight and proactive management to safeguard our stability and reputation. Compliance risk looms as a significant concern across our diverse business domains. Adherence to an array of laws and regulations is imperative and failure to comply not only poses legal repercussions but also threatens our standing in the market, underscoring the critical need for robust compliance mechanisms.



People risk

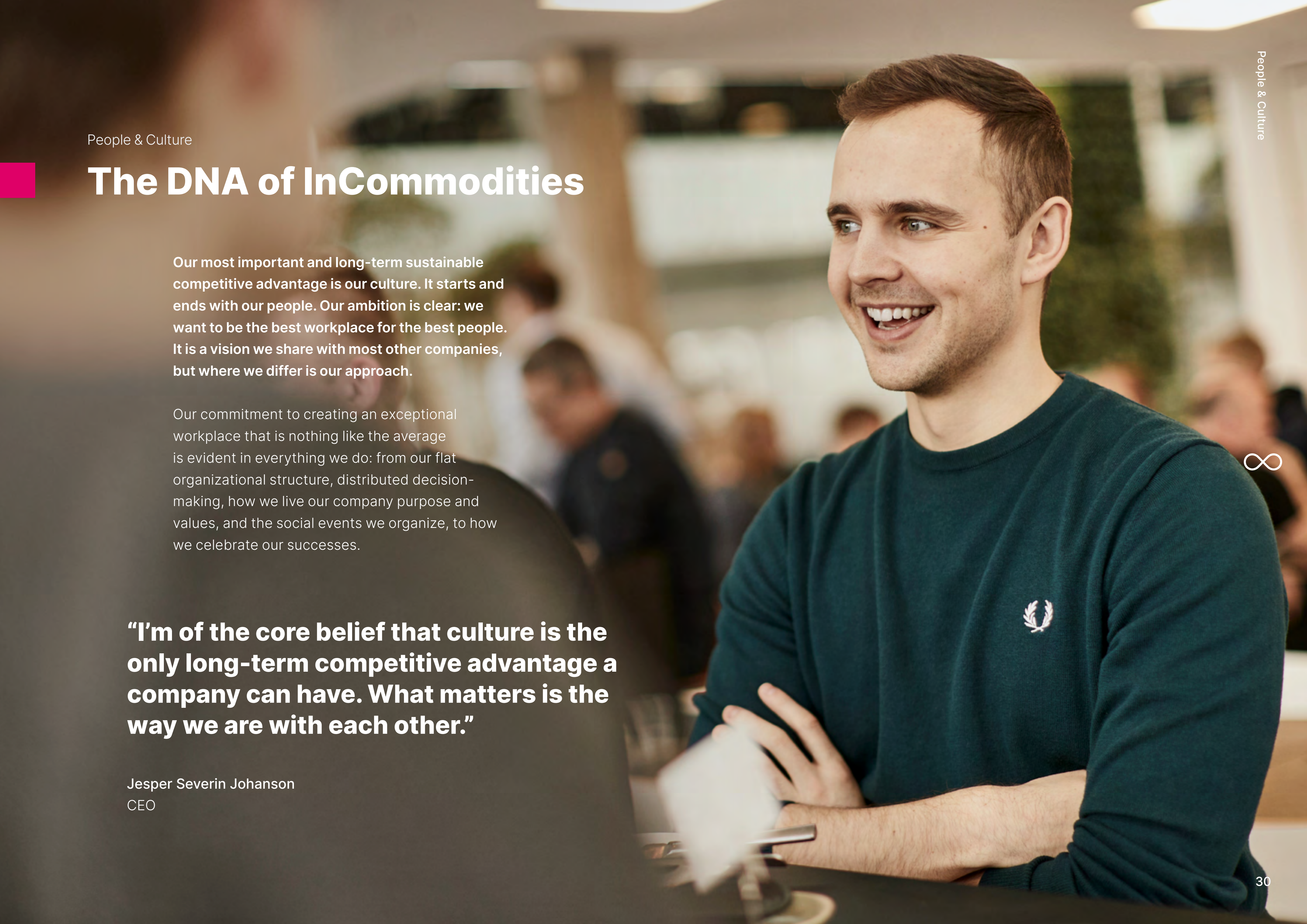
At InCommodities, we believe our people and their talent are crucial to our continued success, and any disruptions present potential challenges. This includes the risk of hiring the wrong talent and the threat of losing key individuals whose expertise drives our operations forward. In this regard, we are pleased to report positive trends, with a record-high people score of 9.3 out of 10 indicating high satisfaction, minimal churn rates, and an increasing ability to attract top-tier global talent. Nonetheless, we remain vigilant in our efforts to mitigate any potential disruptions to our talented workforce.

Geopolitical tensions and risk of cyber-attacks

Political risks also cast a shadow over our operations, with geopolitical tensions and conflicts in regions such as the Middle East and North Africa (MENA) posing potential threats. These upheavals can trigger fluctuations in energy prices, impacting our trading activities and financial performance. Additionally, the growing risk of cyber-attacks targeting the energy sector presents a pressing concern. An energy system lacking resilience against cyber threats not only jeopardizes operational continuity but also raises broader security implications for the sector as a whole.

While our focus primarily revolves around protecting our own systems and data, we are acutely aware of the broader cybersecurity threats facing the energy sector. In response, InCommodities stays alert, continuously assessing and fortifying our cyber defenses to mitigate the risk of potential breaches.

At InCommodities, we recognize the multifaceted nature of risks inherent in the energy trading sector. From compliance obligations to human capital management and geopolitical uncertainties, as well as the ever-present threat of cyber-attacks, we remain committed to proactive risk management strategies to safeguard our operations, stakeholders, and reputation. By remaining vigilant and leveraging innovative solutions, we aim to navigate these challenges effectively and sustainably drive our business forward. We do so by actively training our people in proactive risk management.



People & Culture

The DNA of InCommodities

Our most important and long-term sustainable competitive advantage is our culture. It starts and ends with our people. Our ambition is clear: we want to be the best workplace for the best people. It is a vision we share with most other companies, but where we differ is our approach.

Our commitment to creating an exceptional workplace that is nothing like the average is evident in everything we do: from our flat organizational structure, distributed decision-making, how we live our company purpose and values, and the social events we organize, to how we celebrate our successes.

"I'm of the core belief that culture is the only long-term competitive advantage a company can have. What matters is the way we are with each other."

Jesper Severin Johanson
CEO

Value

Honesty

We are a team driven by our ambition to be the best: The best company, the best team, the best people. We facilitate this process by being direct and honest with each other.

We see honesty as the key element to growth, and we use this feedback, sparring, and direct communication to excel on every level.

Value

Transparency

InCommodities was built on the need to break free from the status quo; old management structures and top-down leadership where secrecy is prevalent, and insecurity and fear are drivers.

We see transparency as the key element to trust. We encourage and invite the entire team to join us at the table, because only with the doors opened to all, do we become empowered.

Value

Rethink

The only constant is change. Our ability to be an agile organization that welcomes change makes us resilient. We see rethink as the key element of our strength.

We seek to improve and to realize that improvement is a circular process. Think, then rethink.

Purpose

We Advance Together

Advance expresses our constant appetite to move forward, develop and challenge ourselves with determination, mastery and technology.

Together emphasizes the way we advance and how we believe we will create the strongest results of all, through our culture, community and autonomy.

Vision

To pioneer algorithmic trading and renewables management

Increased engagement during growth

For the same reasons mentioned on the previous page, we invest a substantial amount of time and energy in recruiting and onboarding. This is a crucial priority for us as a growing company. In 2023, we welcomed 60 new colleagues, bringing our headcount to a total of 204 by year-end, both at our headquarters in Denmark and abroad, reflecting our commitment to global expansion.

In our pursuit of creating an exceptional workplace where people thrive, we actively track the job satisfaction and engagement levels of our team members, considering it a crucial metric to ensure we meet our aspirations. In 2023, we ended the year with a record-breaking engagement score of 9.3, which stands as a testament to our people's thriving engagement, even amidst strong continuous growth. We are very proud of this achievement as we believe it reflects our commitment to foster an environment where each individual feels valued and heard. We also see it as a confirmation of our strong commitment to live out our values and cultural beliefs. By decentralizing decision-making to each individual, we empower our team members to make meaningful contributions, thereby fostering an environment conducive to both personal growth and exceptional performance.

9.3 /10

Year-end people engagement score.

In 2023, we launched a series of initiatives focusing on nurturing the growth and development of our team members and prioritizing their overall health and well-being – both physically and mentally. These are fundamental elements that define our commitment to being an exceptional workplace, one that rethinks the ordinary, where people can grow, thrive and perform. In the following, you can read about some of these initiatives.

"It starts with us and ends with us. 'We Advance Together'. And central, we have advancement. I think it sets the tone for how we wish to reach our vision."

Stefan Milton Bache
Head of Quantitative Solutions

Rethinking Health & Well-being

In January 2023, we kicked off our most ambitious Health & Well-being offer since the founding of InCommodities. The program has included running programs, group training, health checks, an Office Athletes program, office exercises circuits, etc. throughout the year.

In 2023, we were pleased to see extraordinary commitment to the different initiatives. For instance, we observed a 71% engagement among our colleagues in health checks, followed by 70% engagement of those participants in follow-up sessions, maintaining their engagement over time. 88% of the attendants in the sessions exercise regularly. Initially, 11% had low self-rated health, which is already a low number, we managed to decrease this rate to only 5% during 2023. We are impressed with these numbers and our colleagues' dedication to improving their health or maintaining strong health. The Health and Well-being program will continue in 2024.

"I wanted to work on my health, from exercising to eating right and getting enough sleep. The immediate benefits are obvious: I lost 8 kilograms of fat and gained some muscle on the side. Additionally, when I exercise, I recover faster. I am also more focused at work, and my ability to tune out annoying noises has improved significantly."

Ivar de Hoogt
Quantitative Gas Trader

Rethinking people advancement

In 2023, we kicked off our People Advancement Program, which focuses solely on personal development and growth, including how to identify and overcome barriers that hinder progress or reaching one's full potential. The program offers a framework for self-development, thus differentiating itself from traditional leadership or talent development programs.

The program consists of three main focal points: Grow self-awareness, build emotional intelligence, and handle feedback and conflicts.

The Advancement Program is one of several initiatives directly emanating from our core values. The first cohort started their program in May 2023, and our goal is to continue creating new cohorts every six months targeting team members that want to commit the time and effort into enhancing their self-awareness and working with areas that require development.

We Advance Together Days '23

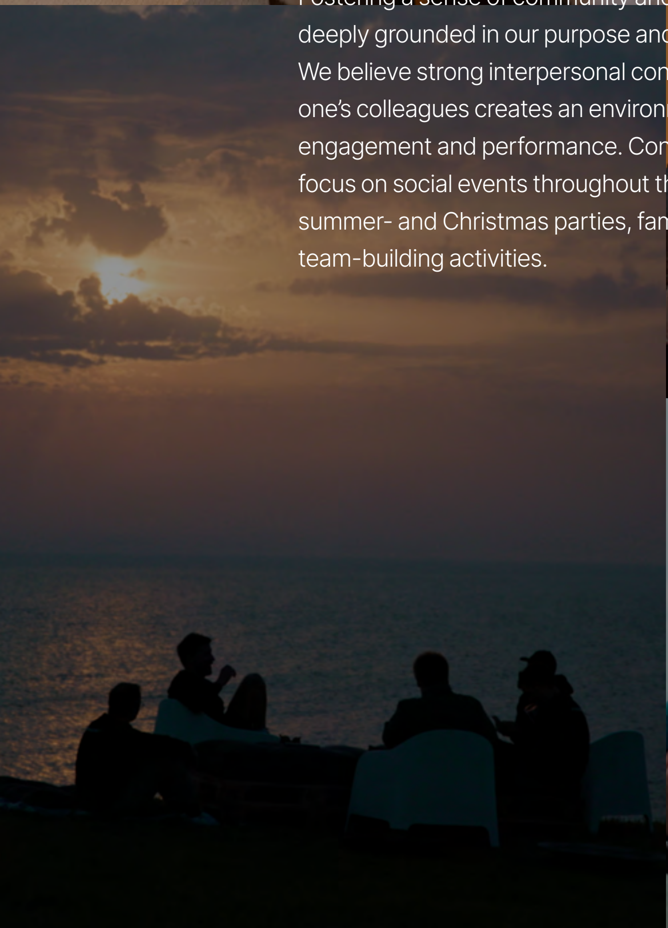
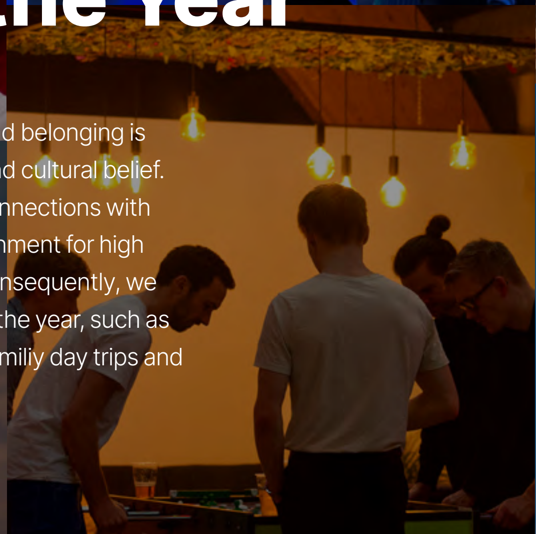
In 2023, we introduced a new concept "We Advance Together Days" which is designed to broaden our mindset, make us challenge the status quo and rethink how we can do things differently to support our purpose "We Advance Together". Over 24 intensive hours, we engage in team-building activities and draw on inspiration from renowned speakers, each an expert in their fields. In 2023, these speakers featured Morten Münster, Raymond Hettinger, Mathias Brandewinder, Steve Ward and Caroline Farberger.

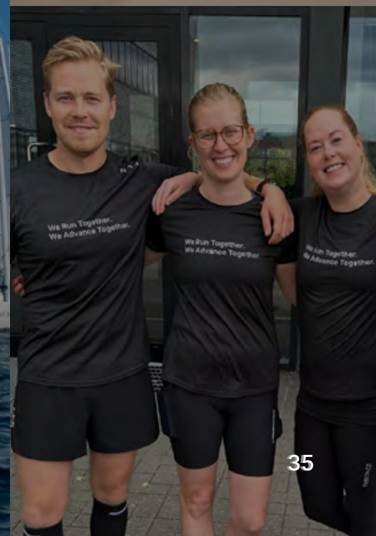
In addition to We Advance Together Days, which targets the whole company, we consistently strive to acquire fresh perspectives and enhance our skills, approaches and mindset to keep improving our operations and pushing development forward, both within individual teams and across teams.



Social Events Throughout the Year

Fostering a sense of community and belonging is deeply grounded in our purpose and cultural belief. We believe strong interpersonal connections with one's colleagues creates an environment for high engagement and performance. Consequently, we focus on social events throughout the year, such as summer- and Christmas parties, familiy day trips and team-building activities.

ESG – Introduction

Meeting Expectations and Standards – Both Yours and Ours

We take pride in doing our best when it comes to our ESG work. We are on a journey towards becoming a strong ESG player in our industry.

Reflecting our key values of Honesty, Transparency, and Rethink, we want our ESG framework to focus on adding value to our business. We firmly believe that a thoroughly defined ESG framework and strategy will benefit our ongoing business developments and provide a new level of transparency for all stakeholders regarding our ESG framework. We acknowledge the amount of work that still lies ahead and will approach it with the same solution-oriented and determined mindset as we do with all challenges. Furthermore, we aim to provide our stakeholders with relevant information in the same transparent and honest manner as always.

We remain committed to doing our part when it comes to operating a sustainable business and reducing our negative climate impact in any way possible. In 2023, our sustainable initiatives covered launching new business areas focusing on renewables, supporting the establishment of a new research center, CoRE, at Aarhus University, maintaining our high expectations for our work environment and the health and well-being of our people, and so much more.

The following sections entail the statutory reporting by §99a of the Danish Financial Statements Act.

A description of the business model of InCommodities can be found in the section *Our Business*.

Taking Care of the Environment while Taking Care of Business

As a company, we operate in a world that is becoming increasingly aware of climate changes and how our actions can impact it positively or negatively. This increased awareness also extends to our organization.

Since our core business revolves around data and IT usage in our office space, our main source of emissions is our energy consumption, including electricity, heating, cooling, and water.

Surveilling and reducing our CO_2 footprint

Our business model is IT-based, requiring extensive use of IT equipment and data. Consequently, we have a state-of-the-art IT infrastructure to support our core activities of buying and selling power, gas, and output from renewables, and this is our largest emitter. As a company, we are responsible for minimizing the negative impact of our daily operations, and doing so is a declared commitment.

The growth of our company in 2023 led to an increase in our overall electricity usage. This increase is a direct result of welcoming new colleagues and adding several full desktop setups to our locations. Investment in new computing power contributed to the overall increase as well. The same trend applies to our consumption of water and central heating, which is allocated based on total rented square meters.

We tracked the emissions we own or control ourselves, including electricity, heat, and water consumption, for several years. We are continuously making efforts to reduce our energy consumption in any way possible.

Environmental initiatives

We have a responsibility to optimize wherever possible. Hence, in 2023 we initiated several environmental initiatives on our own as well as in cooperation with our property owner:

- We reduced our electronic waste by selling the main parts of used equipment instead of disposing it. To extend the lifespan of our electronics, we use the equipment to be replaced for testing purposes.
- In 2024, we will start using large data centers with more efficient energy consumption than smaller data centers.
- We actively promote the green transition. 22% of the power used in our office space at Tangen 6, Aarhus N, is sourced from the solar photovoltaic system on our roof. Furthermore, we reduce heat and ventilation usage using sensors in every room to measure temperatures and humidity. Window blinds minimize unintended heating of the building, reduce ventilation and lessen the need for cooling. Automatic lighting reduces electricity use, and water taps with sensory equipment reduces overall water usage.
- We offer sustainable food options by serving high-quality organic food at our shared cafeteria. At the same time, we also make efforts to reduce and sort food waste to increase recyclability.
- We encourage our people to bike to work by providing excellent bike parking facilities.
- We have increased the number of car charging stations at our building and added one more supplier with other favorable conditions. Having multiple suppliers enhances the convenience of driving an electric car.

Power consumption (kWh)	**2nd half of 2019**	**2020**	**2021**	**2022**	**2023***
Power consumption (headquarters)	56,338	184,304	218,626	247,023	265,122
Power consumption (other locations)	-	-	-	-	6,863
Total power consumption	**56,338**	**184,304**	**218,626**	**247,023**	**271,985**
Consumption per employee	1,565	2,880	2,429	1,790	1,333
Solar rooftop					
Production	N/A	133,927	117,822	139,256	139,520
Utilization	N/A	117,280	110,241	123,719	122,181
% Utilization of total consumption**	N/A	22%	19%	21%	22%
Excess sold to grid	N/A	16,647	7,581	15,537	17,339

**Our power consumption for 2023 is estimated, since the observed numbers will not be available until after publication of this Annual Report. Estimates are based on our share of total consumption for prior years multiplied by a factor to reflect our growth in number of team members and additional square meters in the shared office space.*

*** The shared office space we live in has rooftop solar PV. We include the data to reflect that approximately 22% of the total power consumption in the building was covered by solar production in 2023.*

Share of estimated water- and heat consumption (global)	**2019**	**2020**	**2021**	**2022**	**2023***
Water usage (m^3)	148	233	426	716	1,389
Heat usage (MWh)	19	28	43	66	67

Our Whole is Greater than the Sum of Our Parts

At the core of our business philosophy lies a commitment to our people and culture - our main priority. We believe our culture is our most important and long-term competitive advantage that serves as the bedrock upon which our success is built and inspires us to continuously rethink and advance, always with a people-first approach.

Everything we achieve at InCommodities depends on our ability to hire the best talent in the industry. We must bring together the brightest and most passionate minds to accomplish great things. To retain and help our people to grow and develop, we prioritize creating a healthy, psychologically safe, and extraordinary work environment.

Physical and mental well-being

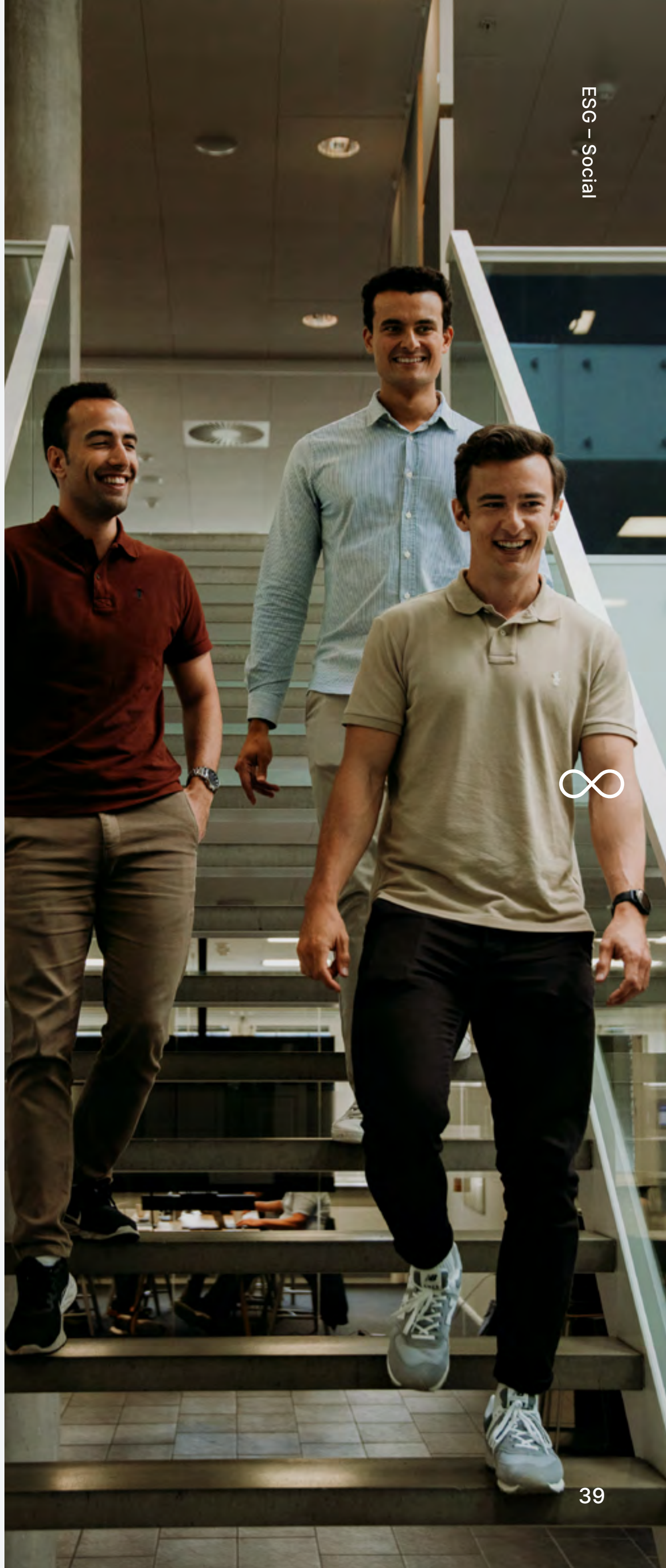
We are attentive to risks related to social and employment conditions. In the type of working environment conducted at InCommodities, physical risks related to accidents, physical wear, and overexertion are close to non-existent. However, we are attentive to physical risks related to monotonous and sedentary work in an office environment.

To meet such risks, we have several Health and Well-being initiatives in place, like assorted office workouts, an office gym, health checks, massage, physiotherapy, and initiatives focusing on ergonomics.

Mental health factors, such as stress or dissatisfaction, are also a constant focal point, which we meet with initiatives like bi-weekly job satisfaction surveys, continuous 1:1 sessions between team leader and team member, advancement program, and several professional events throughout the year revolving around topics such as team-building, culture, psychological safety, and work environment.

We do not tolerate discrimination or harassment of any kind. Furthermore, we do not discriminate in any way against any applicants based on nationality, age, religion, sexual orientation, or political beliefs.

We are a community of talented, determined individuals pulling on one string. In all we do, we are driven by our purpose: We advance together.



Our team in numbers and facts
When reaching the end of 2023, the InCommodities team counted 204 people. We welcomed 65 new colleagues and now count 24 different nationalities. 82% identified as male, and 18% identified as female.

Our business model requires a high level of specialization and knowledge from our people. Therefore, 94% of our colleagues held a Bachelor's Degree, and 78% have a Master's Degree or a higher educational level.

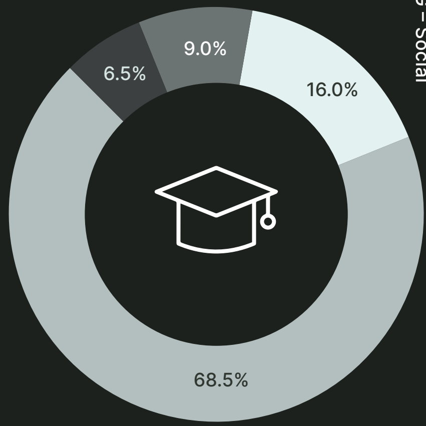
In terms of seniority, 91 of our colleagues had been with InCommodities for 3 years or more. The average age of our team was 33, ranging from 23 to 65 years. Throughout the year, 9 people left the company. We believe that our retention initiatives play a big part in our successful retention. Among the initiatives we offer are flexible workplace arrangements that prioritize work-life balance and meet individual needs, both in terms of time and location.

204

People
Working at InCommodities in 2023

33

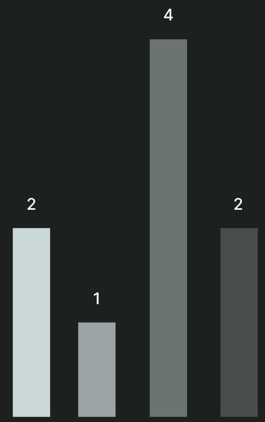
Average age



Distribution of education*

Bachelor's degree · Master's degree · PhD · Other

*Total sum of reported educational level in % of total number of employees (FTE) at year end.



Employee turnover in 2023

Tenure < 1 year · Tenure 1-2 years · Tenure 2-3 years · Tenure > 3 years

24

Nationalities
24 different nationalities

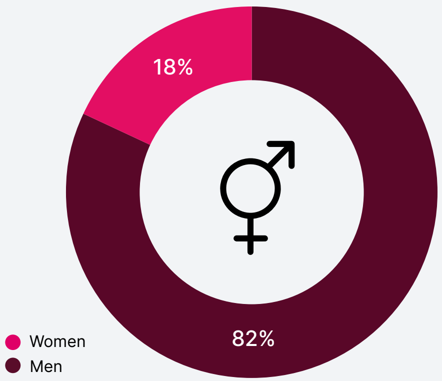
9.3 /10

People engagement score

Gender equality

Our overall policy is that gender should not be a factor in evaluating a person's fit for any position in the company. We believe that the fairest approach for everyone encompasses being assessed on one's skills and personality instead of an irrelevant measure such as gender. Our policy promotes equality as everyone is evaluated and promoted based on their merit, skills, experience, and cultural fit, not their gender.

That said, we acknowledge that our industry faces a structural gender imbalance. Unfortunately, the imbalance is traceable to our schools and universities. The choice of education should be 100% individual. Everyone should choose according to their own interests. However, there might be visible or invisible barriers for one gender to pursue a career within a specific industry. We strive to continuously contribute to eliminate such obstacles. In our case, this means explicitly encouraging young women to pursue a career in energy, either focusing on IT or trading.



Number of employees in % of total number of employees (FTE) at year end.

Human rights
As a company that has the well-being of our colleagues as a top priority, we can confidently assert, that we live up to the charter of human rights for both our team members at our Danish headquarters as well as globally. Furthermore, we place a strong focus on making sure that all colleagues who are not on permanent contracts or hired through third-party companies are covered by human rights.

While we do not have a formal human rights policy, our people handbook clearly describes how we expect colleagues to conduct themselves and fulfill their responsibilities towards the company and the outside world. Overall, we strive to comply with human rights through personnel policies and work environment policies, which include the right to equal treatment, the right to personal security, and the right of freedom of association.

Risks of breaches of human rights, such as issues regarding personal security, the right to freedom of association, or equal treatment, are minimized by behavioral guidelines, strong values and leadership, an open and honest feedback culture, and the opportunity to report any concerns or issues using the InCommodities whistleblower scheme.

In 2023, we received no reports regarding breaches of human rights. Going forward, we will continuously monitor this area and consider whether an even more detailed approach to our guidelines and policies will be required in the future.

Anti-corruption and bribery
We have no formal policies regarding anti-corruption or bribery. We conduct our business in energy trading on exchanges, and we believe to a large extent to be covered by the regulators of our industry and local legislation in the markets in which we are active.

We asses the risk of corruption or bribery to be limited. We do not accept any improper payments, exchange of gifts or the like, and we have risk management procedures in place, covering monitoring and screening of risks as well as principles, roles and responsibility in the case of a report on concerns or observations regarding corruption or bribery.

Furthermore, our core company values and fundamental principles underline that any acts related to corruption, fraud and bribery will not be accepted. In 2023 we initiated a Whistleblower scheme, which among other things covers breaches of applicable law and criminal offences such as anti-corruption, fraud and bribery. Read more in the section "Whistleblower scheme". Our extensive compliance actions also safeguard our business against acts of corruption and bribery. Read more about in the section Compliance.

In 2023, we received no reports regarding anti-corruption or bribery. Going forward, we will continuously monitor this area and consider whether an even more detailed approach to our guidelines and policies will be required in the future.

People engagement
People engagement and job satisfaction among our colleagues are top priorities, which we therefore measure twice a month using an engagement survey.

Throughout the year, the overall engagement has ranged from 9.2 to 9.4 out of 10, meaning that we lived up to our goal for 2023 of maintaining our position as one of the highest-performing companies globally using this people engagement tool. To stay in the top 5%, the benchmark score is 8.5. Our goal for 2024 is to remain in the top 5%. A high participation rate underlines the substance of the high engagement rate and shows us that our team takes the surveys seriously and wish to speak their mind. Our team leaders and People Partner take the surveys equally seriously, crunching the data and acknowledging or responding to all comments in every survey.

Health and Safety Organization
Our Health and Safety Organization (HSO) comprises five colleagues from different departments: one Chairman, one Work Leader, two Work Environment Representatives, and one coordinator.

The overall purpose of the HSO is to continuously work with the company's work environment, as well as the health and safety of the team members. This means the HSO is responsible for identifying and resolving existing work environment issues while also working to prevent the emergence of new problems. Potential topics for an HSO to discuss include lighting in the office space, indoor climate, premises cleaning, ergonomics, psychological work environment, inclusion, bullying, violence, etc. The members of the HSO are the go-to persons for all people at InCommodities regarding issues related to the work environment. The HSO conducts monthly meetings and addresses all incoming inquiries and concerns regarding the work environment.

The HSO is responsible for conducting a Health & Safety Risk Assessment once a year. The last survey showed a very high degree of satisfaction with the work environment at InCommodities. The level of autonomy, the purpose of the work, and the positive attitude towards colleagues were especially highlighted.

Social Investments, Sponsorships and Donations
Social investments are chosen with the support of our colleagues. We prefer supporting causes close to our hearts. In 2023, this included supporting Julehjælpen, Coding Pirates, several initiatives at Aarhus University and the new research center at Aarhus University, CoRE.

Running a Sustainable Business in an Everchanging World

As an energy trading company, we act as middlemen, buying and selling power, natural gas, and renewables through regulated energy exchanges. Instead of traditional suppliers or customers, we have business partners. Our activities take place mainly in Europe, where a high degree of regulation and regulatory control exist.

Compliance

We put great effort and pride into our compliance work, which is extremely important for how we undertake our business. If something seems unusual in the market, it is best practice for the observer to react by informing the compliance team.

Our compliance team consists of dedicated colleagues who are specialists in regulations around wholesale energy trading. The Compliance team provides day-to-day advisory support for questions that our energy traders may have in relation to fact-specific or market conduct situations. The compliance officers serve as our lifeguard squad: they continuously keep an eye on the horizon of our industry, scouting for potential risks and pitfalls. The Compliance team is proactive in implementing both new regulations and changes to existing regulations, which includes training and educating relevant colleagues.

To help ensure that we maintain effective regulatory environment oversight, the Compliance team horizon scanning for changes and developments in applicable compliance and market conduct themes.

All colleagues are required to complete compliance training to ensure that there is a foundational understanding and appreciation of market conduct issues that are applicable to their roles as well as our business as a whole. Training takes place throughout the year – some components must be completed as part of every new joiner's introduction program, some occur on an annual basis, and other bespoke training is provided on case-by-case when our Compliance team identifies potential issues or new regulatory themes that require targeted education or case studies.

Furthermore, we go the extra mile to keep track of industry developments. We participate in various associations where regulatory trends, areas requiring interpretation or guidance, and supervisory case outcomes are discussed. In these forums, we can spar with other players in the market, learn from compliance professionals, and share our knowledge and learnings.

We find such professional forums extremely valuable. That is why we have made a collaborative effort with other Danish energy market participants, initiating an association for sharing experiences, elaborating on learnings, and conducting open discussions and knowledge-sharing.

We welcome cooperation with external parties such as regulatory stakeholders and industry peers. We communicate suspicious market behavior to relevant stakeholders. We take our duty to respond to inquiries sent by regulatory and exchange bodies immensely seriously. We respond to these with the highest priority to ensure our own adherence to acceptable conduct rules, demonstrating our cooperation and fostering transparency and integrity in the markets.

Data ethics

At InCommodities, our data can basically be divided into two categories: Market data and personal data. Our market data is treated as publicly available to anyone willing to purchase or mine it. Our business model relies on obtaining the highest possible quality of data to fuel our market analysis and make well-informed trading decisions. To gain a competitive edge, it is imperative that our data, analysis, and decision-making surpass that of our competitors. However, we do not, nor would we, allow any data to be obtained illegally. Similarly, we do not allow any team member to intentionally transmit data to deceive or manipulate market participants. We view the rules governing our trading activities as sufficiently restrictive to not require additional market data policies.

We take data, IT, and cyber security very seriously. We have many safety measures in place in all aspects of our business. In alignment with our values of Honesty and Transparency, we will always communicate openly if we experience a breach.

Besides our internal safety regulations, we engage in associations covering security topics regarding IT and data. We are a member of an association for critical infrastructure in Denmark (Kritisk Infrastruktur), where we share knowledge and lessons learned with others. Staying on top of the game regarding cyber security is our continuous focal point, and we strive to implement the newest and safest technologies.

With regards to personal data, we follow a restrictive approach. We will only collect personal data when necessary. This includes data from applicants, team members, and business partners. Through our onboarding, we teach our colleagues not to share personal data with other people internally or externally. We teach our colleagues to ask permission at the source rather than sharing without permission. Requests for data are usually handled by our legal team, who are trained in the legal framework surrounding personal data.

Policies

Besides our dedicated work regarding compliance, we have several other policies in place. These include Privacy Policy, Data Policy, Whistleblower Policy, GDPR, and Data Retention and Deletion Policy.

Policy training

We count on every individual to take responsibility and ownership of their domain. This is deeply rooted in our core DNA: we strive for autonomy, and we distribute decision-making because we believe that autonomy unlocks engagement, creates happiness, ignites inspiration, and fights bureaucracy. That is why all colleagues must know our internal policies.

Every new joiner has an introduction session with representatives from the Legal & Market Access and Compliance teams. We have mandatory trainings as part of the introduction program followed by mandatory, annual trainings for all team members. In some cases, we conduct follow-up sessions, face-to-face, with a colleague from the team holding the relevant expertise. And when bespoke training in particular topics or for specific teams is called upon, an appropriate colleague with expert knowledge conducts relevant training.

Besides our internal training, some teams and colleagues complete the EFET Energy Markets Training Program, which provides them with background knowledge and training regarding the energy industry.

Whistleblower scheme

Living up to high standards requires going the extra mile. We implemented our whistleblower scheme in 2023, but we made sure to bring it to the next level. We chose to make the whistleblower scheme accessible to any third parties with a relationship to our organization, not just our colleagues. External stakeholders such as business partners, suppliers, customers, or other external parties can also submit a report.

The scheme is accessible via our website, which means it is globally accessible. Furthermore, reports can be made 100% anonymously. While complete anonymity might impact our ability to adequately investigate the report, we believe it ensures the absolute protection of the whistleblower and we hope it will encourage the use of the whistleblower scheme.

Reports are received by PricewaterhouseCoopers (PwC), which serves as an independent third party. After evaluating the report, PwC forwards the concern to the Whistleblower Unit of InCommodities. The Whistleblower Unit is a group of colleagues responsible for the whistleblower scheme as a whole but also the diligent and timely investigation of any whistleblower reports. Senior leadership participates in the Whistleblower Unit.

There have been no whistleblower reports in 2023.

Composition of the board and other levels of management
This following section entail the statutory reporting by §99b of the Danish Financial Statements Act.

We strive to foster an equal workplace where all colleagues – regardless of gender, ethnic background, sexual orientation, and religion – are likely to thrive and succeed in their jobs.

In 2023, the board at InCommodities consisted of the company's four founders and majority owners. At the turn of the year, between 2022 and 2023, we bid farewell to the chairman of the board, resulting in a transition from a 5 to a 4-person board. The distribution between women and men on the Board of Directors was 0 to 4, accounting for 0%.

We no longer have a specific commitment to appoint a female board member by 2024. Instead, our aim is to ensure diversity of thought and expertise within our board. Should we identify a need to expand our board, our focus will be on identifying the most qualified candidates, regardless of gender.

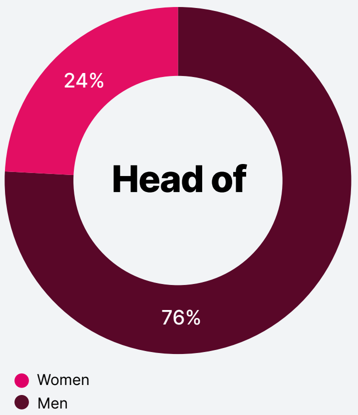
In our other management levels, the distribution between female and male managers was 5 to 16 or 24% to 76%. Our goal for 2024 is to increase our share of female managers to 25%.

As stated in the section Gender equality, our overall policy is that gender should not be a factor in evaluating a person's potential fit for a managerial position or any other position in the company. We believe that this is the fairest approach for everyone; being evaluated on one's skills and personality instead of an arbitrary measure such as gender. This approach creates a sense of self-worth and motivation among our people as they know they have earned their promotion or new job based on their abilities and contributions to the company.

Although our policy is fair in recruiting and promotions, we also recognize that we are facing a structural problem within our industry. Women are underrepresented in areas around IT and trading. It is a general challenge inherent not only to our company and industry but across multiple industries.

	2023	2024	2025	2026	2027
Board of Directors					
Total number of members	0				
Underrepresented gender in numbers	0				
Underrepresented gender in %	0				
Target in %	0				
Target deadline	-				
Other Management Levels					
Total number	21				
Underrepresented gender in numbers	5				
Underrepresented gender in %	24				
Target in %	25				
Target deadline	2024				

Gender distribution in management levels in InCommodities*



*Number of Head of's in relevant category in % of total number of Head of's.

In 2023, we especially focused on boosting the general awareness of what working in energy trading is like. Whenever it made sense, we portrayed female role models from our company. Additionally, we always strive to send a diverse group of team members as representatives, when we participate in various career fairs and similar events. During 2023, we welcomed 5 women in student jobs or that recently graduated, which we view as a positive indicator of our ability to attract women to pursue careers in the energy sector.

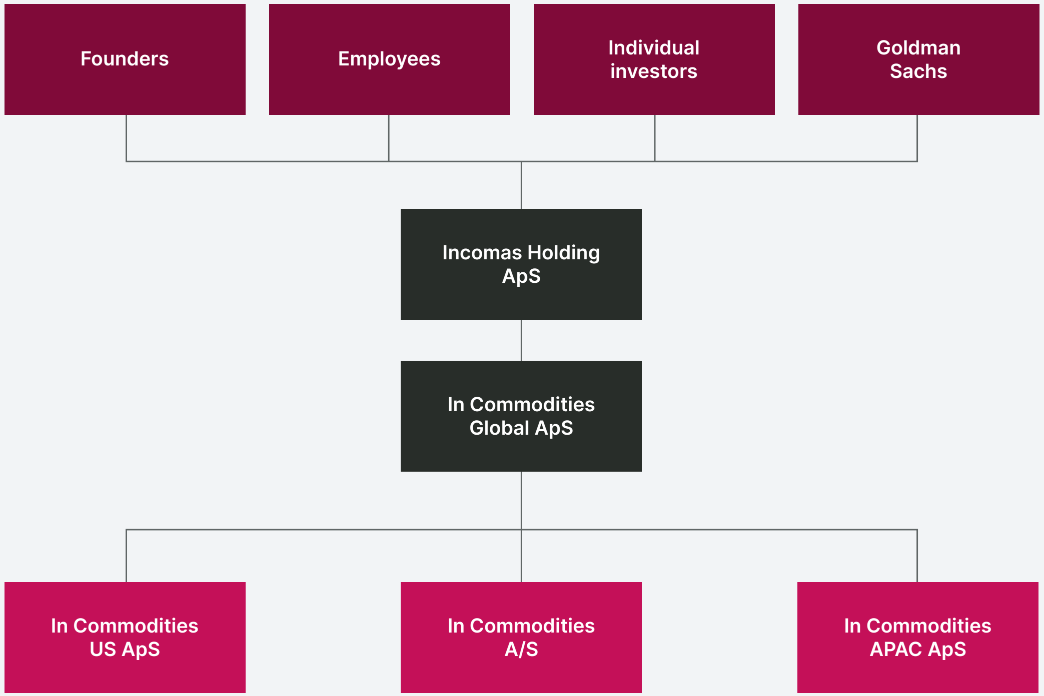
We acknowledge that it is not a change that will happen overnight or within a short period but requires continuous efforts. However, we hope our work in this area leads to an increase in female applicants. Ultimately, a broader field of candidates helps create a better balance between genders in the departments and managerial positions. The benefits derived from a better balance between genders are commonly known and proven, and we expect to benefit similarly, perhaps even to a greater extent, due to our unique culture.

Ownership structure

We believe in co-ownership and that the success of InCommodities should be shared with the people who have created it, our people. Today, 85% of the company is owned by people actively involved in our corporate operations, with the majority held by our four founders and with minority ownership by Goldman Sachs and selected investors.

The ownership structure of InCommodities reflects our ambition to create engagement throughout the organization. We firmly believe co-ownership increases engagement, motivation, job satisfaction, and compliance.

It is our ambition to increase the number of shares held by non-founding team members, aiming to double that number in the coming years. Everyone in the organization, including student assistants, is given access to our warrant program that can be converted into shares.



Outlook

Enabling the Energy Transition

After reflecting on the past year, we now look ahead and anticipate a more stable energy supply as the backbone of our operations. However, we must remain vigilant, recognizing the potential for fluctuations arising from changes in the geopolitical landscape. Should such shifts occur, the role of energy traders is expected to amplify, underscoring our sector's significance in navigating the dynamic energy markets.

Although we have returned to a semblance of normalcy, the coming years present a landscape marked by anticipated volatility and challenges in the European energy supply. The delicate balance of renewables introduces an element of instability, compounded by a potential shortfall in nuclear power.

Nevertheless, we envision an opportunity in renewables, positioning it as a key factor in the European energy mix. In tandem, we are committed to expanding our global footprint, both marketwise and through the establishment of new offices.

For energy traders, the changes in the world's energy mix to reach net zero offers substantial growth potential for us and our sector, as the sector is ever more important to enable the transition.

Our strategic approach involves the handling of fluctuations in energy prices, necessitating a significant capital reserve in times of market volatility and an uncertain future. These "quiet" years serve as a period dedicated to fortifying our financial buffer and internal processes, ensuring we are well-equipped to navigate and address any potential energy crisis on the horizon.

In the coming years, we expect more normalized markets but also acknowledge the challenges posed by limited progress in diversifying the energy mix. As a company, we are committed to mitigating the negative impacts of these challenges while actively supporting the transition towards net zero.

Management's Statement

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of In Commodities Global ApS for the financial year 1 January – 31 December 2023.

The Consolidated Financial Statements and the Parent Company Financial Statements have been prepared in accordance with IFRS Accounting Standards 1 as adopted by the EU and further requirements in the Danish Financial Statements Act. Management's Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 1 January - 31 December 2023.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

We recommend that the Annual Report be adopted at the Annual General Meeting. Aarhus, 15 May 2024

Executive Board	Jesper Severin Johanson Executive Officer	Christian Bach		
Board of Directors	Jeppe Bülow Højgaard Chairman	Jesper Severin Johanson	Emil Kildegaard Gerhardt	Christian Bach

Independent Auditor's Report

To the shareholders of In Commodities Global ApS

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2023 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2023 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

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

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of In Commodites Global Group for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including material accounting policy information, for both the Group and the Parent Company, as well as statement of comprehensive income and cash flow statement for the Group ("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 Group 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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement 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 Consolidated Financial Statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of Parent Company 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 Group's and the Parent 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 Group or the Parent Company or to cease 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. 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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, 15 May 2024
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Mads Meldgaard
State Authorised Public Accountant
mne24826

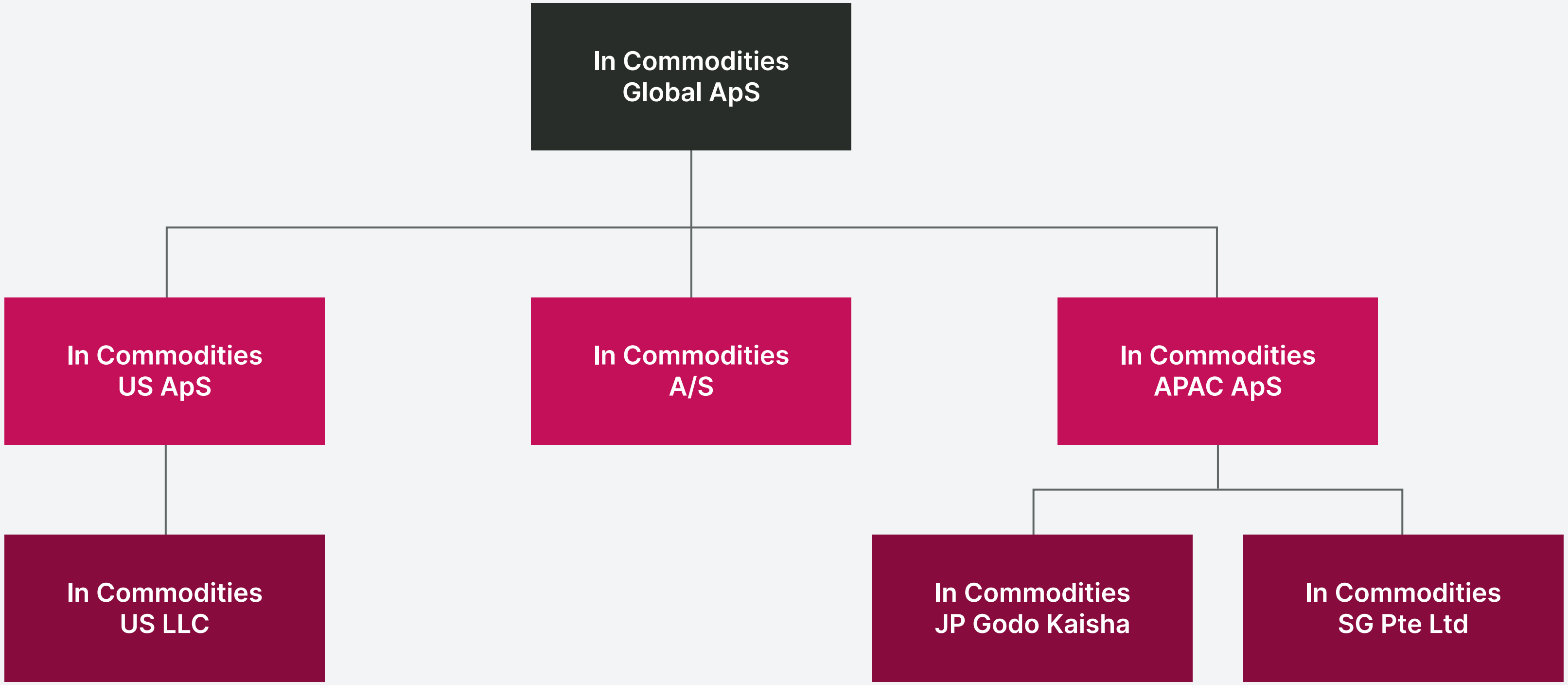
Martin Stenstrup Toft
State Authorised Public Accountant
mne42786

Company Information

In Commodities Global ApS
Tangen 6
DK-8200 Aarhus N
CVR No: 43 73 74 06

The Company	Financial period: 1 January - 31 December Incorporated: 28 December 2022 Financial year: 2nd financial year Municipality of reg. Office: Aarhus
Board of Directors	Jeppe Bülow Højgaard, Chairman Emil Kildegaard Gerhardt Christian Bach Jesper Severin Johanson
Executive Board	Jesper Severin Johanson Christian Bach
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Nobelparken Jens Chr. Skous Vej 1 DK-8000 Aarhus C

Group Chart


In Commodities Global ApS
In Commodities US ApS
In Commodities A/S
In Commodities APAC ApS
In Commodities US LLC
In Commodities JP Godo Kaisha
In Commodities SG Pte Ltd

Consolidated Financial Statement

Financial Highlights

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

Key figures	2023	2022	2021	2020	2019
	TEUR	TEUR	TEUR	TEUR	TEUR
Profit/loss					
Revenue	-	-	-	2,116,865	1,003,510
Gross profit	179,123	1,607,124	177,888	45,663	20,188
Operating profit before financial income and expenses and tax (EBIT)	140,785	1,388,565	142,813	34,018	14,664
Net financials	-4,377	-3,355	-1,945	-331	-113
Profit before tax (EBT)	136,408	1,385,210	140,854	33,687	14,551
Profit for the year	106,645	1,079,803	108,981	26,709	11,326
Balance sheet					
Balance sheet total	737,729	1,239,822	273,772	86,845	32,556
Investment in property, plant and equipment	-	-	-	-	-
Equity	618,641	712,330	122,294	44,263	20,853
Cash flows					
Cash flows from operating activities	-13,285	1,049,539	63,651	7,675	12,676
Cash flows from investing activities	-1,038	-1,131	-876	-21	-
Cash flows from financing activities	-348,653	-354,589	-9,104	17,244	-9,339
Change in cash and cash equivalents for the year	-362,976	693,819	53,671	24,898	3,337
Number of employees - average for the year	165	122	90	64	36
Key ratios					
Return on assets	19.1%	112.0%	52.2%	39.2%	45.0%
Solvency ratio	83.9%	57.5%	44.7%	51.0%	64.1%
Return on equity	17.2%	151.6%	89.1%	60.3%	54.3%

For definitions of financial key figures and ratios, please refer to note 1

.

*The implementation of IFRS as from 1 January 2021 had an impact on the financial statements and key ratios for 2021 and onwards. Comparative figures for 2019 and 2020 have not been restated and were prepared in accordance with Danish GAAP.

Consolidated Income Statement

1 January - 31 December

	Note	2023	2022
		TEUR	TEUR
Fair value adjustment of financial and physical energy contracts	3	179,123	1,607,124
Gross profit		**179,123**	**1,607,124**
Other external expenses		-13,578	-8,246
Staff costs	4	-24,333	-210,006
Depreciation		-427	-307
Operating profit before financial income and expenses (EBIT)		**140,785**	**1,388,565**
Financial income	5	19,760	18,322
Financial expenses	5	-24,137	-21,677
Profit before tax (EBT)		**136,408**	**1,385,210**
Tax on profit for the year	6	-29,763	-305,407
Net profit for the year		**106,645**	**1,079,803**
Total net profit for the period is attributable to the owners of In Commodities Global ApS		106,645	1,079,803

Consolidated Statement of Comprehensive Income

1 January - 31 December

	Note	2023	2022
		TEUR	TEUR
Profit for the year		106,645	1,079,803
Other comprehensive income *Items that may be reclassified to profit or loss*			
Exchange differences on translation of foreign operations		-715	-328
Other comprehensive income		7	5
Other comprehensive income for the period, net of tax		**-708**	**-323**
Total comprehensive income for the period		105,937	1,079,480
Total comprehensive income for the period is attributable to the owners of In Commodities Global ApS		105,937	1,079,480

Consolidated Balance Sheet 31 December

Assets

	Note	2023	2022	1 January 2022
		TEUR	TEUR	TEUR
Non-current assets				
Right-of-use assets	7	939	415	720
Deposits		310	223	109
Total non-current assets		**1,249**	**638**	**829**
Current assets				
Inventories	8	67,143	73,145	44,021
Trade receivables	9	110,075	135,666	84,063
Receivables from group enterprises		2,880	-	758
Derivatives	10	56,434	127,510	16,520
Other reveivables		80,873	120,862	38,139
Prepayments		144	94	-
Cash and cash equivalents		418,931	781,907	88,088
Total currents assets		**736,480**	**1,239,184**	**271,589**
Total assets		**737,729**	**1,239,822**	**272,418**

Consolidated Balance Sheet 31 December

Liabilities and equity

	Note	2023	2022	1 January 2022
		TEUR	TEUR	TEUR
Equity				
Share capital	16	5	5	5
Reserve for exchange rate adjustments		-1,191	-476	-148
Retained earnings		484,827	712,801	116,376
Proposed dividend for the year		135,000	-	-
Total equity		**618,641**	**712,330**	**116,233**
Liabilities				
Non-current liabilities				
Provisions	13	113	113	113
Lease liabilities	7	347	216	434
Credit institutions	11	-	4,824	5,180
Payables to group enterprises		-	144,337	-
Other payables	11	-	-	21,258
Total non-current liabilities		**460**	**149,490**	**26,985**
Current liabilities				
Lease liabilities	7	578	303	215
Credit institutions	11	69	-	2,127
Trade payables		24,931	81,550	44,810
Payables to group enterprises		12,107	8,328	5,083
Derivatives	10	44,057	71,688	19,851
Corporation tax		4,370	128,784	31,849
Other payables	11	32,516	87,349	25,265
Total current liabilities		**118,628**	**378,002**	**129,200**
Total liabilities		**119,088**	**527,492**	**156,185**
Total liabilities and equity		**737,729**	**1,239,822**	**272,418**

Consolidated Statement of Changes in Equity

1 January - 31 December

	Share capital	Reserve for exhange rate adjustments	Retained earnings	Proposed dividend for the year	Total equity
	TEUR	TEUR	TEUR	TEUR	TEUR
As at 1 January 2023	**5**	**-476**	**712,801**	**-**	**712,330**
Profit for the period	-	-	106,645	-	106,645
Exchange adjustments	-	-715	-	-	-715
Other comprehensive income	-	-	7	-	7
Total comprehensive income	**-**	**-715**	**106,652**	**-**	**105,937**
Transactions with owners in their capacity as owners					
Cash capital increase	-	-	-	-	-
Share-based payments	-	-	374	-	374
Tax on share-based payments	-	-	-	-	-
Extraordinary dividends paid	-	-	-200,000	-	-200,000
Proposed dividend for the year	-	-	-135,000	135,000	-
As at 31 December 2023	**5**	**-1,191**	**484,827**	**135,000**	**618,641**

Consolidated Statement of Changes in Equity

1 January - 31 December

	Share capital	Reserve for exhange rate adjustments	Retained earnings	Total equity
	TEUR	TEUR	TEUR	TEUR
As at 1 January 2022	5	-148	116,376	116,233
Profit for the period	-	-	1,079,803	1,079,803
Exchange adjustments	-	-328	-	-328
Other comprehensive income	-	-	5	5
Total comprehensive income	-	-328	1,079,808	1,079,480
Transactions with owners in their capacity as owners				
Cash capital increase	-	-	-	-
Extraordinary dividends paid	-	-	-477,502	-477,502
Share-based payments	-	-	-7,575	-7,575
Tax on share-based payments	-	-	1,694	1,694
As at 31 December 2022	5	-476	712,801	712,330

Consolidated Cash Flow Statement

1 January - 31 December

	Note	2023	2022
		TEUR	TEUR
Cash flows from operating activities			
Net profit/loss for the year		106,645	1,079,803
Adjustments	15	34,186	305,386
Changes in net working capital	15	4,424	-123,373
Financial income received	5	13,985	18,321
Financial expenses paid	5	-13,813	-21,677
Corporation tax paid	6	-158,712	-208,921
Net cash inflow from operating activities		**-13,285**	**1,049,539**
Cash flows from investing activities			
Payment for fixed assets etc		-1,038	-1,131
Net cash outflow from investing activities		**-1,038**	**-1,131**
Cash flows from financing activities			
Change of loans from credit institutions	15	69	-2,483
Lease payments		-545	-130
Other long-term debt payment	15	-149,092	-21,258
Cash capital increase		-	-
Share-based payments		-	-5,881
Raising of other long-term debt	15	-	152,665
Dividends paid to company's shareholders		-200,000	-477,502
Net cash outflow from financing activities		**-348,653**	**-354,589**
Net increase in cash and cash equivalents		**-362,976**	**693,819**
Cash and cash equivalents at the beginning of the financial year		781,907	88,088
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at end of year		**418,931**	**781,907**

Notes to the Consolidated Financial Statements

1 Summary of significant accounting policies

The consolidated financial statements of In Commodities Global ApS ('the Group') for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on 15 May 2024.

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU as well as additional the Danish disclosure requirements applying to entities of reporting class C for large enterprises.

The consolidated financial statements have been prepared on a historical cost basis, except for the following financial assets and liabilities, which are measured at fair value.

- Contracts for sale and purchase of gas, power and capacities which are not entered into for the Group's own use.
- Derivative financial instruments.

The consolidated financial statements are presented in Euro (EUR) and all values are rounded to the nearest thousand, except when otherwise indicated.

New standards and interpretations and not yet adopted

The Group has adopted relevant new or amended standards (IFRS) and interpretations (IFRIC), which have been adopted by the EU and which are effective for the financial year January 1 – December 31, 2023. The following has been adopted:

- Amendments to IAS 8 Accounting policies: Changes in Accounting Estimates and Errors - Definition of Accounting Estimates.
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies.

- Amendments to IAS 12 Income Taxes: International Tax Reform - Pillar Two Model Rules.

- New standard; IFRS 17 Insurance Contracts.

In assessment of the Group, the new or amended standards and interpretations have neither had a material impact on the consolidated financial statements nor on the separate financial statements in 2023.

Certain new accounting standards, amendments to accounting standards and interpretations that have been published are not mandatory for December 31, 2023 reporting periods and have not been early adopted by the Group. These standards include:

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants (January 1, 2024, not yet endorsed by the EU).

- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements (January 1, 2024, not yet endorsed by the EU).

- Amendments to IAS 21, Lack of Exchangeability (January 1, 2025, not yet endorsed by the EU).

The listed amendments are not expected to have a material impact on the recognition and measurement of the balance sheet at January 1, 2024, neither in terms of the consolidated financial statements nor in terms of the separate financial statements.

Principles of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

- **Functional and presentation currency**
  Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Euro (EUR), which is the Group's functional and presentation currency

- **Transactions and balances**
  Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they are attributable to part of the net investment in a foreign operation.

Group companies
The results and financial position of foreign operations that have a functional currency different from Euro are translated into Euro as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet

- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates

- All resulting exchange differences are recognised in other comprehensive income.

Derivative financial instruments
Derivative financial instruments are initially recognised in the balance sheet at fair value and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments which are not settled at year end are classified as "Derivates", respectively. The fair values of derivative financial instruments which are settled at year end are classified as "Cash at bank" and "Credit institutions", respectively. Derivative financial instruments with positive fair values are offset against derivative financial instruments with negative fair values when settled on a net basis.

Contracts for the delivery of power and gas are classified as derivative financial instruments when there is a practice of net settlement in respect of similar contracts, including offsetting contracts before delivery.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting

Income statement

Fair value adjustments of financial and physical energy contracts

The Group routinely enters into exchange traded sale and purchase transactions for physical delivery of energy commodities. A considerable part of these transactions for physical delivery of a non-financial item are considered within the scope of IFRS 9 due to the fact that the Group has a practice of entering into offsetting contracts before the delivery date. Consequently, they are measured at fair value on initial recognition and subsequently measured at fair value through profit and loss.

For contracts whose fair value cannot be determined solely based on observable market data, any difference between the transaction price and transaction date fair value determined by applying a valuation model is deferred and recognized over the term of the contract.

A portion of the sale and purchase transactions for physical delivery of energy commodities takes the form of contracts that were entered into and continue to be held for the purpose of receipt or delivery of the physical commodity in accordance with the Group's expected sale, purchase or usage requirements ("own use") and are not within the scope of IFRS 9. The assessment of whether a contract is deemed to be "own use" is based on the nature of the contract as well as facts and circumstances of how the contract is included in the Group's activities.

Other external expenses

Other external expenses comprise expenses for premises, marketing, office expenses etc.

Staff costs

Staff expenses comprise direct wages and salaries, pension contributions, social security contributions, sick leave, bonuses, and share-based payments which are recognized in the year in which the associated services are rendered by employees of the Company.

- **Employee benefits - pensions**
  For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory,

contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available

- **Share-based payments**
  A number of employees have been granted equity-settled warrants. Issued warrants become exercisable after a certain period of time or upon an earlier exit event subject to the employee still being employed at the exercise date. The grant date fair value is recognized as a compensation expense over the vesting period with a corresponding entry to equity.

Financial income and expenses

Financial income and expenses comprise interest income and interest expenses, realized and unrealized exchange rate adjustments, fair value adjustment of current asset investments as well as interest on extra payments and repayment under the on- account taxation scheme and interest in respect of lease liabilities.

Other financial income primarily comprises realized gains on exchange forward derivatives as well as interest income. Other financial expenses primarily comprise realized and unrealized exchange rate adjustments as well as interest expenses.

Tax on profit/loss for the year

The income tax expense or credit for the period is the tax payable on the taxable income of the current period, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries generate taxable income. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. A deferred income tax asset or liability is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Balance sheet

Leases

The Group leases properties. Property contracts are typically made for 1 to 5 years but may have extension and termination options.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments (including in-substance fixed payments); any variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date and the exercise price of a purchase option if the Group is reasonably certain to exercise that option. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease or lessee's incremental borrowing rate if the implicit interest rate cannot be readily determined.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost which comprises the amount of the initial measurement of lease liability; any initial direct costs; the estimated restoration costs and any lease payments made at or before the commencement date less any lease incentives received.

Payments associated with short-term leases of property and all leases of low-value assets are recognized on a straightline basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low- value assets comprise IT equipment and small items of office furniture.

Fixed asset investments
Fixed asset investments consist of deposits from leasehold.

Inventories
Inventories comprise gas used for trading. Inventories are measured at the lower of cost under the FIFO method adjusted for gains and losses from hedging instruments and net realizable value. The net realizable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

Trade receivables
Trade receivables are amounts due from power and gas sold as part of the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional. The Group holds the trade receivable with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less allowance for life-time expected losses. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss for all trade receivables.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written down are recognized as a reduction of costs against the same line item.

Derivaties
When derivatives do not meet the hedge accounting criteria, they are primarily classified as 'held for trading' for accounting purpose and initially recognised, and subsequently measured at fair value through profit and loss and recognised in the balance sheet as 'derivatives '. Derivatives that are held for trading are classified as current assets and liabilities regardless of their maturity date. The Group does not apply any type of hedge accounting in the financial statements. Derivatives are categorised by means of shared risk and underlying commodity.

The Group routinely enters into sale and purchase transactions for physical delivery of energy commodities. A considerable part of these transactions for physical delivery of a nonfinancial item is considered within the scope of IFRS 9 since the contracts are net settled, and they are consequently accounted for as derivatives measured at fair value through profit and loss

Other receivables
Other receivables consist of deposits related to trading, receivable VAT and miscellaneous receivables. Other receivables are measured at amortized cost. Deposits represent the amount of cash required for trading positions with certain counterparties.

Prepayments
Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest..

Deferred tax
Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Borrowings
Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Equity reserves

- **Share capital**
  Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

- **Dividends**
  Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period. Payments of dividends are subject to debt covenants.

Cash Flow Statement

The cash flow statement shows the Group'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 Group'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 ”Cash at bank and in hand” and ”Overdraft facilities”. The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Return on assets	$\frac{\text{Profit before financials x 100}}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$

Notes to the Financial Statements

2 **Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

Judgements

Measurement of gas trading inventory

Determining the measurement method of gas trading inventories require management to make judgements.

Management uses significant judgement when determining whether the Company acts as a broker-trader. In this assessement, management takes into consideration both characteristics of the sales contracts entered into, the frequency and volumes of gas trading and the strategic use of the gas trading inventory. Evaluating all the facts and circumstances relating to the gas trading inventories, the Company does not act as a broker-trader and gas trading inventories are consequently measured at historic cost.

The carrying amount of gas trading inventory as per the balance sheet date amount to tEUR 67,143 (2022: 73,145).

Estimates

Valuation of derivatives and commodity contracts not entered into for the Group's own use

In some cases, the fair values of derivatives are estimated using internal models due to the absence of quoted prices or other observable, market-corroborated data. This primarily applies to the Company's longer-term, structured derivative contracts or contracts in illiquid markets.

Notes to the Financial Statements

2 Critical estimates and judgements (continued)

The majority of these contracts are valued using models with inputs that include price curves for each of the different products. These price curves are built up from available active market pricing data including volatility and correlation and modelled using the maximum available market-derived information. Additionally, when limited data exist for certain products or market areas, prices are determined using historical and long-term pricing relationships. The use of alternative estimates or valuation methodologies may result in significantly different values for these derivatives. The Company also trades capacities for which no active market exists hence the price is estimated. The estimate is based on the future spreads between the given market areas, which may result in different values for these derivatives. Please refer to note 10 for more detailed description and a display of the fair value hierarchy.

The carrying amount of derivatives and commodity contracts as per the balance sheet date amount to tEUR 12,377 (2022: 59,364).

3 Fair value adjustments of financial and physical energy contracts

Gains and losses arising from trading with energy commodity derivatives including futures, options, swaps and certain forward sales and purchases are excluded from revenue and presented separately. Likewise, energy commodity contracts with physical delivery with a past practice of settlement of contracts in net cash or other financial instruments are also to be excluded from revenue since these energy commodity contracts and treated considered within the scope of IFRS 9 Financial instruments.

Given the nature of the company's business model and contracts with counterparties all gains and losses arising from trading with energy commodity derivatives are accounted for using IFRS 9 Financial instruments.

4 Staff costs	**2023**	**2022**
	TEUR	TEUR
Wages and salaries	20,567	205,206
Share-based payments	374	125
Pension cost defined contribution plans	1,313	504
Other social security costs	152	149
Other staff costs	1,927	4,022
	24,333	**210,006**
Average number of employees	**165**	**122**

Notes to the Financial Statements

4 **Staff costs** (continued)

Key management personnel compensation

Key management personnel (Others) consists of the Board of Directors and the Executive Board. The compensation payables to key management personnel for employee services is shown below:

	2023			
	Executive Board	**Board of Directors**	**Others**	**Total**
	TEUR	TEUR	TEUR	TEUR
Wages and salaries	483	-	483	966
Share-based payments	-	-	-	-
Pension cost defined contribution plans	24	-	24	48
Other social security costs	1	-	1	2
Other staff costs	2	-	2	4
	510	-	510	1,020

	2022			
	Executive Board	**Board of Directors**	**Others**	**Total**
	TEUR	TEUR	TEUR	TEUR
Wages and salaries	291	-	363	654
Share-based payments	-	-	-	-
Pension cost defined contribution plans	14	-	18	32
Other social security costs	1	-	1	2
Other staff costs	-	-	-	-
	306	-	382	688

Notes to the Financial Statements

Share-based payments ***Warrant program***

To motivate and retain certain employees, the Group has established a warrant program. 74,366 warrants were granted in August 2020, 29,800 warrants were granted in April 2021, 21,600 warrants were granted in May 2022 and 33,315 warrants were granted in March 2023. Warrants vest within 3-4 years from the grant date.

Vesting requirements of the warrants are based on non-terminated employment at maturity or upon an exit event.

The fair value of the warrants have been determined based on a Black-Scholes option pricing model with data input from historical share prices of a peer group.

Key input in the Black-Scholes option pricing model includes excercise prices in a range of DKK 242-1,046 and volatility in a range of 29%-31%.

The fair value of warrants granted in 2023 amount to tEUR 1,586 (2022: tEUR 568). No key management personnel are included in the warrant program. The employees that have been given warrants have the option to buy the predefined amount of shares at a predefined value.

	2023 Number of shares	**2022** Number of shares
Outstanding at the beginning of the period	43,400	102,466
Granted during the period	3,315	21,600
Forfeited during the period	-	-6,300
Excercised during the period	-	-74,366
Expired during the period	-	-
Outstanding at the end of the period	**46,715**	**43,400**
Weighted-average remaining contractual life, years	2	3

None of the warrants are exercisable at the end of the period.

Notes to the Financial Statements

5 **Financial income and expenses**

Financial income	2023 TEUR	2022 TEUR
Interest received from group enterprises	9	1,285
Currency exchange gains	5,775	14,650
Other financial income	13,976	2,387
Total financial income	19,760	18,322

Financial expenses		
Interest on lease liabilities	41	38
Interest paid to group enterprises	7,401	-
Currency exchange losses	10,283	4,899
Other financial expenses	6,412	16,740
Total interest expence	24,137	21,677

Notes to the Financial Statements

6 Income tax expense

Current tax	2023 TEUR	2022 TEUR
Current tax on profits for the year	29,763	305,621
Adjustments for current tax of prior periods	-	-214
Income tax expense	**29,763**	**305,407**

Reconcilliation of effective tax rate	2023 TEUR	%	2022 TEUR	%
Tax at the Danish tax rate of 22% (2022: 22%)	30,010	22.0	304,746	22.0
Less tax in foreign operations in relation to the Danish tax rate of 22% rate (2022: 22%)	-2,354	-2.0	-	-
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:				
Other timing differences	-319	-0.2	775	0.1
Non-deductible expenses	2,426	1.8	90	0.0
Adjustments for current tax of prior periods	-	0.0	-204	0.0
Income tax expense	**29,763**	**21.8**	**305,407**	**22.0**

The In Commodities Group is within the scope of the OECD Pillar II model rules regarding minimum taxation of 15%. The rules were implemented in Denmark in 2023 with effect from 1 January 2024. Since the Pillar II legislation was not effective on the reporting date, the In Commodities Group has no related current tax exposure. The Pillar II rules are, however, not expected to have a material impact on the tax position of the In Commodities Group in 2024.

The In Commodities Group has applied the temporary exception issued by the International Accounting Standard Board (IASB) in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognized nor discloses information about deferred tax assets and liabilities related to Pillar II income taxes.

Notes to the Financial Statements

7 Leases

Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	2023	2022
	TEUR	TEUR
Right-of-use assets		
Properties	939	415
	939	**415**
Additions to the right-of-use assets	951	-
Lease liabilities		
Current	578	303
Non-current	347	216
	925	**519**

Amounts recognized in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	2023	2022
	TEUR	TEUR
Depreciation charge of right-of-use assets		
Properties	427	307
Interest expense on lease liabilities	41	38
Expense relating to short-term	377	17
Total cash outflow for leases	**845**	**362**

Notes to the Financial Statements

8 Inventories

The Group's inventories comprise the following:	2023	2022	1 January 2022
	TEUR	TEUR	TEUR
Gas storage	67,143	73,145	44,021
	67,143	**73,145**	**44,021**

The following inventory write downs are included in the carrying amount presented in the table above.

Changes in inventory write-downs	2023	2022
	TEUR	TEUR
Inventories write down at 1 January	-16,921	-14,656
Write-downs for the year, additions	-7,812	-16,921
Write-downs for the year, reversal	16,921	14,656
Total inventory write-downs	-7,812	-16,921
Total inventories, net	67,143	73,145

Amounts recognised in profit and loss
Inventories recognised as an expense during 2023 amounted to TEUR 1,389,599 (2022 TEUR: 1,940,396). These were included in Fair value adjustment of financial and physical energy contracts.

Notes to the Financial Statements

9 Trade receivables

	2023	2022	1 January 2022
	TEUR	TEUR	TEUR
Trade receivables from contracts	110,075	135,666	84,063
Loss allowance	-	-	-
	110,075	**135,666**	**84,063**

Due to the short-term nature of the current receivables, the carrying amount is considered to be the same as the fair value.

Refer to note 12 for a description of the expected credit losses and risks regarding trade receivables.

Notes to the Financial Statements

10 **Fair value**

Derivative financial instruments in In Commodities mainly consist of commodity derivatives that are traded as part of the Company's ordinary business activity.

The Company measures the following financial assets and liabilities at fair value:

- Power derivatives
- Gas derivatives
- Foreign currency derivatives

Fair value hierarchy

This section explains estimates made in determining the fair value of the financial instruments that are recognized and measured at fair value through profit and loss in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standards.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). To a large extent level 2 is based on observable quoted prices, however in some instances forward prices are not observable. In these situations the most liquid forward curves are used to derive a spread to the specific location. For options theoretical pricing models with implied volatilities are used to calculate market prices. These valuation techniques maximise the use of observable market data where it is avaliable and rely as little as possible on entity specific estimates. If all significant inputs required to calculate the fair value of an instrument are observable, the instrument is included in Level 2;

Level 3: Inputs for the asset or liability that are not based on observable market data. Non-listed shares and other securities fall within level 3 of the fair value hierarchy.

Exchange-traded derivatives as well as foreign exchange contracts are valued using closing prices provided by the exchanges at the balance sheet date. These derivatives are categorized within level 1 of the fair value hierarchy. Exchange-traded derivatives are typically considered settled through the payment or receipt of variation margin. Over-the-counter (OTC) financial swaps and physical commodity sale and purchase contracts including commodity forwards are generally valued using readily available information in the public markets and if necessary, quotations provided by brokers and price index developers. These quotes are corroborated with market data and are predominately categorized within level 2 of the fair value hierarchy.

Notes to the Financial Statements

10 **Fair value** (continued)

Valuation processes/techniques

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measue fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The valuation process of the derivatives includes different input based on external information to the extent possible and the final valuation is verified and approved by the risk management function. Benchmark and pricing services are used to verify valuations and increase data quality.

The below table sets out the fair value hierarchy for assets and liabilities measured at fair value in the balance sheet:

2023	**Level 1**	**Level 2**	**Level 3**	**Total**
	TEUR	TEUR	TEUR	TEUR
Financial assets				
Power derivatives	-	-	-	-
Gas derivatives	56,434	-	-	56,434
Foreign currency derivatives	-	-	-	-
Total	56,434	-	-	56,434
Financial liabilities				
Power derivatives	455	3,272	-	3,727
Gas derivatives	-	40,330	-	40,330
Foreign currency derivatives	-	-	-	-
Total	455	43,602	-	44,057

Notes to the Financial Statements

10 **Fair value** (continued)

2022	Level 1	Level 2	Level 3	Total
	TEUR	TEUR	TEUR	TEUR
Financial assets				
Power derivatives	127,510	-	-	127,510
Gas derivatives	-	-	-	-
Foreign currency derivatives	-	-	-	-
Total	127,510	-	-	127,510
Financial liabilities				
Power derivatives	32,292	38,187	-	70,479
Gas derivatives	-	-	-	-
Foreign currency derivatives	1,209	-	-	1,209
Total	33,501	38,187	-	71,688

Notes to the Financial Statements

11 Financial assets and financial liabilities

The Group holds the following financial instruments:

Financial assets	**2023**	**2022**	**1 January 2022**
	TEUR	TEUR	TEUR
Financial assets measured at fair value through profit and loss			
Derivatives and commodity contracts	56,434	127,510	16,520
Derivatives and commodity contracts (cash and cash equivalents)	53,742	173,034	27,127
	110,176	**300,544**	**43,647**
Financial assets at amortised cost			
Deposits	310	223	109
Trade receivables	110,075	135,666	84,063
Receivables from group enterprises	2,880	-	758
Other receivables	80,873	120,862	38,139
Cash and cash equivalents	365,189	566,574	60,961
	559,325	**823,325**	**184,030**
Financial assets	**669,501**	**1,123,869**	**227,677**

Due to the short-term nature of the financial assets measured at amortised cost, their carrying amount is considered to be the same as their fair value.

Notes to the Financial Statements

11 Financial assets and financial liabilities (continued)

Financial liabilities	**2023**	**2022**	**1 January 2022**
	TEUR	TEUR	TEUR
Other payables			
Derivatives and commodity contracts	44,057	71,688	19,851
	44,057	71,688	19,851
Financial assets at amortised cost			
Trade payables	24,931	81,550	44,810
Credit institutions	69	4,824	7,307
Lease liabilities	925	519	649
Payables to group enterprises	12,107	152,665	5,083
Other payables	32,516	87,349	46,523
	70,548	326,907	104,372
Financial liabilities	114,605	398,595	124,223

Due to the short-term nature of the financial liabilities measured at amortised cost, their carrying amount is considered to be the same as their fair value. The Group's exposure to various risks associated with the financial instruments is discussed in note 12.

Notes to the Financial Statements

11 **Financial assets and financial liabilities** (continued)

Borrowings	2023 Current	2023 Non-current	2023 Total	2022 Current	2022 Non-current	2022 Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Credit institutions	69	-	**69**	-	4,824	**4,824**
Other loans	-	-	**-**	-	144,337	**144,337**
	69	-	**69**	-	149,161	**149,161**

For the borrowings, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

The nature of the Group's borrowings are primarily credit line facilities, which can be used to borrow cash or to provide guarantees or letter of credit to counterparts. The maturites of the credit line facilities are flexible and are based on variable interest rates.

The borrowing from credit institutions in 2022 consists of a loan from Vækstfonden. The loan is maturing in 2025 and cannot be unilaterally by Vækstfonden. The loan is based on a variable interest rate. Other loans in 2022 consists from Incomas Holding ApS. The loan is maturing in 2025 and cannot be unilaterally by Incomas Holding ApS. The loan is based on a fixed interest rate.

Notes to the Financial Statements

12 Financial risk management

The Group's principal financial liabilities, comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the group's operations. The Group's principal financial assets include trade receivables, and cash and cash equivalents.

The Group is exposed to market risk, credit risk, liquidity risk.

Market risk

Market risk is the risk of losses or gains caused by changes in the market value of the Group's financial assets and liabilities resulting from changes in market prices or rates. Market risk affects the Group's financial statement through the valuation of the Company's financial instruments.

Commodity price risk

Commodity price risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in underlying commodity prices. The Group's exposure to the risk of changes in commodity prices and volumes relates to the trading performed by the Group in gas and power.

Pre-Trade Risk Limits: The pre-trade risk limits are set and administrated at several levels of the company to operationalize and mitigate the market risk:

- 1. Board of Directors: At the board level an overall risk appetite is defined. The risk level is defined in terms of 1% daily VaR and 1% monthly VaR. As such the board of directors allows that, the Group loses up to the daily (monthly) VaR level 1% of the days (months). If the VaR limits are breached the BoD must be informed. Limits at this level are primarily determined based on the Company's solidity and risk appetite of the owners.

- 2. Founding Partners: The founding partners set the 1% VaR limits for each department under consideration of the VaR limits specified by the BoD. If the VaR limit is breached the BoD must be informed. Limits at this level are primarily determined based on the experience of the teams, clearing arrangements, exchange arrangements and market risk. The founding partners are also responsible for distributing limits for larger "one off" events like capacity auctions.

Notes to the Financial Statements

12 **Financial risk management** (continued)

- 3. Head of Trading Department and Head of Risk: The practical risk limits formulated in terms of concrete risk mandates are formulated jointly by the head of the relevant trading unit and the Head of Risk under the considerations of the 1% VaR limits set by the BoD and the founding partners. These mandates are set at the department level and differentiate between the various business areas. These can be in the form of VaR, EUR, MW or MWh limits. The mandates must be visual to the entire company. The mandates can be dynamic in the sense that they can automatically increase or decrease as a function of accumulated GP.

Value-at-Risk

The Group is assessing the market risk by measuring the Value-At-Risk (VaR) on an ongoing basis. VaR is a statistical measure that quantifies the extent of possible financial losses during a certain period of time given normal market conditions. To manage market risk and collective portfolio exposure, The Board of Directors have set specific limits to the VaR.

VaR is calculated under the assumption of 1-day and 1 month holding periods, 99% confidence and 1-year historical data. A decay factor is applied, meaning that the influence of historical data decreases with a predefined factor each day, i.e. most recent market data has the highest weight. Below figures are based on 1-day holiding period;

	2023	**2022**
	TEUR	TEUR
Power at 31 December	3,792	12,385
Gas at 31 December	5,231	26,470

Notes to the Financial Statements

12 Financial risk management (continued)

Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to foreign currency risk is derived from the Group's trading activities in which trade receivables, account payables and derivatives are denominated in a currency other than the functional currency.

The Group manages its risk towards foreign currency by occasionally entering forward contracts on specific currencies to which the daily commercial business is exposed. However, there is no single currency exposure that is considered material. The majority of the Group's activities are in EUR as the majority of the activities are performed in market areas where commodity products are traded in EUR.

	2023			2022		
Monetary items and sensitivity TEUR	**Cash and receivables**	**Potential change in exchange rate**	**Impact on profit or loss before tax**	**Cash and receivables**	**Potential change in exchange rate**	**Impact on profit or loss before tax**
DKK/EUR	-1,835	1%	-18	1,780	1%	18
USD/EUR	51,152	5%	2,436	-196	5%	-9
GBP/EUR	-30,024	5%	-1,430	63,248	5%	3,012
CZK/EUR	9,897	10%	900	-	10%	-
PLN/EUR	1,245	10%	113	-	10%	-
SGD/EUR	467	10%	42	-	10%	-
JPY/EUR	-1	10%	-	-	10%	-

Interest rate risk

The exposure to the risk of changes in interest rates relates primarily to interest-bearing assets and liabilities in the Group with a floating rate. The exposure is not considered material as the Group is primarily financed by its own equity. Please refer to 'Liquidity risk' for an overview of the maturity of the financial liabilities. The majority of the liabilities are maturing within 12 months, while the risk of material changes in the interest rates is considered low.

Notes to the Financial Statements

12 **Financial risk management** (continued)

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to retail customers, including outstanding receivables.

Credit risk is considered very limited due to the limited receivables from individual counterparts and a very low probability of default for each of the counterparties.

However, the Group is expanding its bilateral trading activities and hence the credit risk increases. When exposed to credit risk towards a trading counterpart an extensive credit assessment must be performed, which minimum involves:

- Collecting credit and compliance reports through our business-acknowledged external partner
- Profound screening of most recent annual reports
- Getting an overview of ownership structure

Based on the assessment we set a credit limit on how much EUR exposure we are willing to accept towards the trading counterpart. Such screening must be performed on all trading counterparts at least annually.

The majority of the Group's trading activities are still performed towards exchanges, TSOs, clearing banks and banks. Such counterparts are in general low risk counterparts. Thus, the overall credit risk of the Group is considered low.

For more information about the trade receivables please refer to note 9. Please refer to note 14 for more detailed information about offsetting of financial assets and liabilities.

Notes to the Financial Statements

12 Financial risk management (continued)

Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. However, due to the nature of the Group's business activities, the Group considers its credit risk related to trade receivables to be immaterial.

No loss allowances were made in 2023 and 2022. The Group has never realized any losses from counterparties. Trade receivables primarily consist of receivables from commodity exchanges, clearing houses and TSOs. The Group has made a credit risk assessment of the open financial positions at the balance sheet date. No provisions were needed as the risk is deemed immaterial.

Trade receivables are written off if there is no reasonable expectation of recovery. Indicators of no reasonable expectation of recovery include, for example, the failure of a debtor to engage in a repayment plan with the Group or failure to make contractual payments for a period longer than 90 days past due.

A considerable part of the counterparties is covered by standard agreements. Such agreements contain regulations on credit, payment, and offsetting. This means that the Group is less exposed to credit risk than if trading with fewer or no standardized terms. The minimal risk and low risk cover TSOs, exchanges, and other A-rated counterparts.

In Commodities assesses that these counterparts carry no or only limited credit risk as they are part of public security of supply or have high credit ratings. InCommodities carries out an evaluation of the credit risk of all counterparties before trading is commenced.

Notes to the Financial Statements

12 **Financial risk management** (continued)

Liquidity risk

We consider the current liquidity risk very limited due to the significant amount of cash on account, low debt and limited hedges.

Liquidity risk is a significant element of the risk sphere of the company. To ensure that the company always has sufficient liquidity for all possible future scenarios the Group has a large array of tools at hand and takes a number of measures. These tools and measures must include:

- Vast buffers set aside in budgets for:
  - Variation margin
  - An extended period of weak performance
  - The unknown.
- Liquidity projection (both budget and in operations)
- Daily liquidity monitoring
- Excess cash holding
- Flexible lines with banks
- The ability to scale cash intensive operations down
- Education of key front office employees in liquidity management and risk

The Risk Department is responsible for monitoring the company's liquidity risk, and most importantly how it would be affected under various scenarios. As such, the Risk Department must stress-test open power and gas positions where liquidity risk arises. The tool must take price-correlations into consideration and contain the ability to play around with price-volatilities.
Hence, capturing how the company's liquidity situation would look e.g. under a worst-case scenario. If a worst-case scenario would cause severe liquidity stress the Head of Risk must act accordingly to reduce exposure.

Notes to the Financial Statements

12 **Financial risk management** (continued)

Maturities of financial liabilities

The amounts disclosed in the following table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	**< 1 year** TEUR	**1-5 years** TEUR	**> 5 years** TEUR	**Total contractual cash flows** TEUR	**Carrying amount** TEUR
At 31 December 2023					
Trade payables	24,931	-	-	24,931	24,931
Payables to group enterprises	12,107	-	-	13,073	13,073
Borrowings	69	-	-	69	69
Lease liabilities	609	360	-	969	925
Other payables	32,516	-	-	32,516	32,516
Derivatives held for trading	44,057	-	-	44,057	44,057
	114,287	**360**	**-**	**114,647**	**115,571**
At 31 December 2022					
Trade payables	81,550	-	-	81,550	81,550
Payables to group enterprises	8,328	195,893	-	204,221	152,665
Borrowings	241	5,858	-	6,099	4,824
Lease liabilities	401	433	-	834	519
Other payables	87,349	-	-	87,349	87,349
Derivatives held for trading	71,688	-	-	71,688	71,688
	249,557	**202,184**	**-**	**451,741**	**398,595**

Notes to the Financial Statements

13 Provisions

	2023			2022		
	Current TEUR	**Non-current** TEUR	**Total** TEUR	**Current** TEUR	**Non-current** TEUR	**Total** TEUR
Refurbishment of tenancy	-	113	113	-	113	113
Other provisions	-	-	-	-	-	-
	-	113	113	-	113	113

The provision to refurbishment of tenancy consist of an obligation to refurbish leased property when the lease contract lapse.

	Refurbishment of tenancy TEUR	**Other provisions** TEUR	**Total** TEUR
At 1 January 2023	113	-	113
Additional provision charged to land and buildings	-	-	-
Charged to profit and loss	-	-	-
- Additional provision recognised	-	-	-
- Unused amounts reversed	-	-	-
Amounts used during the year	-	-	-
At 31 December 2023	113	-	113
At 1 January 2022	113	-	113
Charged to profit and loss	-	-	-
- Additional provision recognised	-	-	-
- Unused amounts reversed	-	-	-
Amounts used during the year	-	-	-
At 31 December 2022	113	-	113

Notes to the Financial Statements

14 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset. The column 'net amount' shows the impact on the Group's balance sheet if all set-off rights were exercised.

	Effects of offsetting on the balance sheet			Related amounts not offset	
2023	**Gross amounts**	**Gross amounts offset in the balance sheet**	**Net amounts presented in the balance sheet**	**Cash collateral (received / pledged)**	**Net amount**
	TEUR	TEUR	TEUR	TEUR	TEUR
Financial assets					
Trade receivables	142,280	-32,205	110,075	29,372	139,447
Derivatives held for trading	8,172,161	-8,115,727	56,434	-	56,434
Total financial assets	**8,314,441**	**-8,147,932**	**166,509**	**29,372**	**195,881**
Financial liabilities					
Trade payables	57,136	-32,205	24,931	-50,522	-25,591
Derivatives held for trading	8,159,784	-8,115,727	44,057	-	44,057
Total financial liabilities	**8,216,920**	**-8,147,932**	**68,988**	**-50,522**	**18,466**

Notes to the Financial Statements

14 Offsetting financial assets and financial liabilities (continued)

2022	Effects of offsetting on the balance sheet			Related amounts not offset	
	Gross amounts	Gross amounts offset in the balance sheet	Net amounts presented in the balance sheet	Cash collateral (received / pledged)	Net amount
	TEUR	TEUR	TEUR	TEUR	TEUR
Financial assets					
Trade receivables	187,388	-51,722	135,666	33,347	169,013
Derivatives held for trading	2,526,328	-2,398,818	127,510	-	127,510
Total financial assets	2,713,716	-2,450,540	263,176	33,347	296,523
Financial liabilities					
Trade payables	133,272	-51,722	81,550	-87,419	-5,869
Derivatives held for trading	2,470,506	-2,398,818	71,688	-	71,688
Total financial liabilities	2,603,778	-2,450,540	153,238	-87,419	65,819

Notes to the Financial Statements

15 Cash flow specifications

Adjustments	2023 TEUR	2022 TEUR
Financial income	-19,760	-17,527
Financial expenses	24,137	22,920
Depreciations	427	307
Income tax	29,763	308,474
Other adjustments	-381	-328
	34,186	**313,846**

Changes in net working capital	2023 TEUR	2022 TEUR
Change in inventories	6,002	-29,124
Change in receivables	133,738	-247,783
Change in trade payables	-135,306	153,534
	4,434	**-123,373**

Notes to the Financial Statements

15 **Cash flow specifications** (Continued)

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Net debt	**Borrowings**	**Leases**	**Total**
	TEUR	TEUR	TEUR
At 1 January 2022	28,565	649	29,214
Cash flows	120,596	-130	120,466
New leases	-	-	-
Other changes	-	-	-
At 31 December 2022	149,161	519	149,680
Cash flows	-149,092	-545	-149,637
New leases	-	951	951
Other changes	-	-	-
At 31 December 2023	69	925	994

Notes to the Financial Statements

16 Share capital

	2023		2022	
	Number of shares	**Nominal value** TEUR	**Number of shares**	**Nominal value** TEUR
The share capital comprises:				
Ordinary shares at 1 January	40,000	5	40,000	5
Ordinary shares at 31 December	**40,000**	**5**	**40,000**	**5**

No shares carry any special rights. All shares are fully paid.

	2023 TEUR per share	**2022** TEUR per share
Total dividend paid out for the year	5.00	11.94
Total dividend proposed for the year	3.38	-

Notes to the Financial Statements

17 Capital management

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio: Net debt, as per note 15: Cash flow specifications divided by Total equity, as shown in the balance sheet.

During 2023, the Group's strategy, which was unchanged from 2022, was to maintain a debt to equity ratio of 2. The debt to equity ratio at 31 December 2023 was 0 (2022: 0.24). The debt to equity ratio at 31 December 2023 decreased due to the financial performance of 2023 and thus increase in equity.

In general during 2024 we will seek to increase debt / equity ratio with agreement with new financial partners. We need to ensure a stronger gearing of our equity to ensure our future growth. At the moment we are primarily founded by our own equity and that is not optimal. As we have done historically we pay out dividends to owners when we have sufficient excess cash.

Notes to the Financial Statements

18 Contingent liabilities and commitments

Contingent liabilities	**2023**	**2022**
The Group had contingent liabilities at year end in respect of:	TEUR	TEUR
Charges and security		
The following assets have been placed as security with bankers:		
- Liquid funds of	114,615	233,724
Guarantee obligation		
The Group has placed payment guarantees to counterparties to meet standard requirements related to credit risk	177,570	197,256

Commitments

As a part of the main activities the Group has entered into contracts with counterparties whereof contractual commitments amount to TEUR 144,454 (2022: tEUR 219,201). All contracts run between 0-81 months (2022: 0-69 months). Contractual commitments relates to power and gas derivatives that have been recognized in the balance sheet.

Other contingent liabilities

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 Incomas Holding ApS, 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 Group’s liability.

Notes to the Financial Statements

19 **Related party transactions**

The Group is controlled by the following entity:

Name of entity	Type	Place of business
Incomas Holding Aps	Ultimate parent company	Aarhus, Denmark

Transactions with other related parties	**2023**	**2022**
The following transactions occurred with related parties:	TEUR	TEUR
The parent company (Incomas Holding ApS)		
Dividend payments to Incomas Holding ApS	200,000	477,502
Financial income	-	1,285
Financial expenses	6,935	-
Loans to parent company	2,670	-
Loans from parent company	12,107	152,665
Other related parties*		
Financial income	9	-
Loans to other related parties	210	-

Key management personnel

Information about renumeration to key management personnel has been disclosed in note 4.

* Other related parties comprise in In Commodities PV ApS.

Notes to the Financial Statements

20 Interests in other entities

The Group's principal subsidiaries at 31 December 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

		Ownership interest held by the group, %		Ownership interest held by non-controlling interests, %	
Name of entity	**Place of business**	**2023**	**2022**	**2023**	**2022**
In Commodities A/S	Aarhus, Denmark	100%	100%	-	-
In Commodities US ApS	Aarhus, Denmark	100%	100%	-	-
In Commodities US LLC	Delaware, USA	100%	100%	-	-
In Commodities APAC ApS	Aarhus, Denmark	100%	100%	-	-
In Commodities JP Godo Kaisha	Tokyo, Japan	100%	-	-	-
In Commodities SG Pte Ltd	Singapore	100%	-	-	-

Notes to the Financial Statements

21 **Fee to auditors appointed at the general meeting**

Fee to the auditors appointed at the general meeting has not been disclosed in accordance with section 96 (3) of the Danish Financial Statements Act.

PricewaterhouseCoopers	2023	2022
Audit fee	109	120
Other assurance services	63	73
Tax advisory services	390	84
Other services	238	203
	800	**480**

22 **Subsequent events**

After the end of the financial year, no events have occurred which could significantly affect the company's financial position.

23 **First-time adoption of IFRS**

The financial statements for the year ended 31 December 2023 are the first that the Company has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2022 the Company prepared its financial statements in accordance with The Danish Financial Statements Act ('Danish GAAP')

The Company has prepared financial statements that comply with IFRS applicable as at 31 Decmeber 2023, together with the comparative period information for the year ended 31 December 2022.
In preparing these financial statements, the Company's opening statement of financial position was prepared as at 1 January 2022 (date of transition to IFRS).
The disclosures required by IFRS 1 First-time Adoption of IFRS explaining the principal adjustments made by the Company in restating Danish GAAP financial statements are provided below.
Except in respect of leases, as described below, there was no material impact on the cash flow statement in the adoption of IFRS.

Notes to the Financial Statements

23 **First time adoption of IFRS** (continued)

Notes to the reconciliation from Danish GAAP to IFRS

Leases

In accordance with the provisions in IFRS 1, the Company has adopted IFRS 16 Leases from the date of transition. With the adoption of IFRS 16, the Company recognised lease liabilities in relation to leases which under Danish GAAP were classified as operating leases. These liabilities were measured at the present value of the remaining lease liabilities as at the transition date using the incremental borrowing rates of 1 January 2022. The weighted average incremental borrowing rate applied was 5.57% at the date of transition. The associated right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

By 31 December 2022, a lease liability of TEUR 529 and a right-of-use asset of TEUR 415 was recognised. In the cash flow statement, lease payments were presented in cash flow from operating activities Danish GAAP. Under IFRS, the principal element of lease payments are presented in cash flows from financing activities, whereas the interest element is presented as cash flows from operating activities.

Exemptions applied

IFRS 1 allows first-time adopters certain exemptions from the retrospective application of certain requirements under IFRS. The Company has applied the following exemptions:

- **Leases:** Lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 January 2022. Right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 January 2022. The lease payments associated with leases for which the lease term ends within 12 months of the date of transition to IFRS and leases for which the underlying asset is of low value have been recognised as an expense on either a straight-line basis over the lease term or another systematic basis.

- Exchange differences on translation of foreign operations are deemed to be zero as at 1 January 2022.

Notes to the Financial Statements

23 **First time adoption of IFRS** (continued)

Share-based payments

The Company has granted equity-settled warrants to certain key employees, which according to IFRS 2 - Share-based payments is recognized as a compensation expense, measured at fair value at the grant date, in the profit and loss over the vesting period with a corresponding entry to equity. Under Danish GAAP, the Company has not recognized any expenses for equity-settled warrants.

As a consequence, the Company has recognized 374 TEUR in 2023 and 125 TEUR in 2022 as a compensation expense with a corresponding entry to equity.

Notes to the Financial Statements

23 **First time adoption of IFRS** (continued)

	As at 1 January 2022			For the year ended 31 December 2022	As at 31 December 2022		
	Assets TEUR	**Liabilities** TEUR	**Equity** TEUR	**Profit for the year** TEUR	**Assets** TEUR	**Liabilities** TEUR	**Equity** TEUR
According to the Danish Financial Statements Act	271,698	155,423	116,275	1,080,042	1,239,407	526,850	712,444
IFRS adjustments:							
- Leases	-	-	-	-114	415	529	-114
- Provisions	-	-	-	-	-	113	-
- Share-based payment	-	-	-	-125	-	-	-
Total IFRS adjustments	-	-	-	-239	415	642	-114
	271,698	155,423	116,275	1,079,803	1,239,822	527,492	712,330

Parent Company

Parent Income Statement

For the year ended 31 December

	Note	2023	2022
		TEUR	TEUR
Gross profit/loss		-29	-
Income from investment in subsidiaries		106,668	1,079,803
Profit/loss before income tax		106,639	1,079,803
Tax on profit/loss for the year	2	6	-
Profit/loss for the year		106,645	1,079,803

Parent Balance Sheet

As at 31 December

	Note	2023	2022
		TEUR	TEUR
Assets			
Fixed asset investment			
Investment in subsidiaries	3	619,798	712,324
Fixed assets		**619,798**	**712,324**
Receivables			
Receivables from group enterprises		-	6
Corporation tax receivable from group companies		6	-
Total receivables		**6**	**6**
Cash and cash equivalents		**2**	**-**
Total current assets		**8**	**6**
Total assets		**619,806**	**712,330**

Parent Balance Sheet

As at 31 December

	Note	2023	2022
		TEUR	TEUR
Equity	8		
Share capital		5	5
Reserve for net revaluation under the equity method		480,535	709,200
Retained earnings		3,101	3,125
Proposed dividend for the year		135,000	-
Total equity		**618,641**	**712,330**
Provisions			
Provisions relating to investments in group enterprises		1,139	-
Total provisions		**1,139**	**-**
Short-term debt			
Payables to group enterprises		6	-
Corporation tax		-	-
Other payables		20	-
Total short-term debt		**26**	**-**
Total debt		**1,165**	**-**
Total liabilities		**619,806**	**712,330**

Parent Statement of Changes in Equity

For the year ended 31 December

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total equity
	TEUR	TEUR	TEUR		TEUR
As at 1 January 2023	**5**	**709,200**	**3,125**	**-**	**712,330**
Extraordinary dividend paid	-	-	-200,000	-	-200,000
Exchange adjustments relating to foreign entities	-	-715	-	-	-715
Other equity movements	-	381	-	-	381
Net profit/loss for the year	-	-228,331	199,976	135,000	106,645
Ordinary shares at 31 December 2023	**5**	**480,535**	**3,101**	**135,000**	**618,641**

Parent Statement of Changes in Equity

For the year ended 31 December

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total equity
As at 1 January 2022	5	113,108	3,120	116,233
Extraordinary dividend paid	-	-	-477,502	-477,502
Exchange adjustments relating to foreign entities	-	-328	-	-328
Contribution from group	-	-	5	5
Other equity movements	-	-	-5,881	-5,881
Net profit/loss for the year	-	596,420	483,383	1,079,803
Ordinary shares at 31 December 2022	5	709,200	3,125	712,330

Notes to the Parent Financial Statements

1 Accounting policies

The separate financial statements of In Commodities Global ApS ('Parent Company') for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on 15 May 2024.

This note provides a list of the significant accounting policies adopted in the preparation of these separate financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The seperate financial statements of the Parent Company for 2023 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The separate financial statements have been prepared on a historical cost basis.

The separate financial statements are presented in Euro (EUR) and all values are rounded to the nearest thousand, except when otherwise indicated.

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 the Group Company, the Parent Company has not prepared a cash flow statement.

Correction of comparatives

The Parent Company's comparative figures have been adapted following an internal restructuring processed in accordance with the Danish Financial Statement Act § 121, subsection 2 (the aggregation method) and with adjustment of comparative figures according to § 123 of the Danish Financial Statement Act.

Notes to the Parent Financial Statements

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, 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 Parent 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 Parent 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.

Foreign currency translation

Functional and presentation currency

Items included in the separate financial statements of the parent are measured using the currency of the primary economic environment in which the Parent Company operates ('the functional currency'). The separate financial statements are presented in Euro (EUR), which is the Parent Company's functional and presentation currency.

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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Notes to the Parent Financial Statements

Income statement

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution 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 other external expenses.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit/loss for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Parent Company is jointly taxed with Danish group companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Notes to the Parent Financial Statements

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at EUR 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

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.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Notes to the Parent Financial Statements

2 Income tax expense

Current tax	**2023**	**2022**
	TEUR	TEUR
Current tax on profits for the year	-6	-
Income tax expense	-6	-

Notes to the Parent Financial Statements

3 **Investment in subsidiaries**

The separate financial statements of In Commodities Global ApS ('Parent Company') for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on XX XXXX 2024.

This note provides a list of the significant accounting policies adopted in the preparation of these separate financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

	2023	**2022**
	TEUR	TEUR
Cost at 1 January	**3,124**	**3,119**
Additions for the year	-	5
Cost at 31 December	**3,124**	**3,124**
Value adjustments at 1 January	**709,200**	**113,108**
Exchange adjustments	-715	-328
Net profit/loss for the year	106,668	1,079,803
Dividend to the Parent Company	-200,000	-477,502
Other equity movements, net	375	-5,881
Other adjustments	7	-
Value adjustments at 31 December	**615,535**	**709,200**
Equity investments with negative net asset value transfered to provisions	1,139	-
Carrying amount at 31 December	**619,798**	**712,324**

Investments in subsidiaries are specified as follows:

Name of entity	**Place of registered office**	**Share capital**	**Votes and ownership**
In Commodities A/S	Aarhus, Denmark	TEUR 3,114	100%
In Commodities US ApS	Delaware, USA	TEUR 5	100%
In Commodities APAC ApS	Aarhus, Denmark	TEUR 5	100%

Notes to the Parent Financial Statements

4	Distribution of profit	2023 TEUR	2022 TEUR
	Extraordinary dividend paid	-	477,502
	Reserve for net revaluation under the equity method	-93,331	596,420
	Retained earnings	199,976	5,881
	Total	**106,645**	**1,079,803**

5 Contingent liabilities

Charges and security

The following assets have been placed as security with bankers

Investments in subsidiaries	596,109.00	

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.

6 Related party transactions

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.

Other related parties

Other related parties in the period 1 January 2022 to 31 December 2023 comprise the management of subsidiaries as well as the Board of Directors and Executive Board of the subsidiaries together with their immediate families.

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:

Name of entity	Type	Place of business
Incomas Holding ApS	Ultimate parent company	Aarhus, Denmark

InCommodities