

Capio FNE II ApS

Masnedøgade 22, 5,

2100 København Ø

CVR No. 43711407

Annual Report 2022/23

1. financial year

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

Lotte Kemplar
Chairman

Capio FNE II ApS

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Management's Statement

Today, Management has considered and adopted the Annual Report of Capio FNE II ApS for the financial year 15 December 2022 - 31 December 2023.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 15 December 2022 - 31 December 2023.

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

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

København, 28 June 2024

Executive Board

Ulrik Dan Weuder
Director

Dan Joseph Shapiro
Director

Bengt Arne Jarlsjo
Director

Brett David Buchanan
Director

Lotte Kemplar
Director

Independent Auditors' Report

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 15 December 2022 - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Capio FNE II ApS for the financial year 15 December 2022 - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern; disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting in preparing the financial statements unless Management either intends to either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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

Independent Auditors' Report

these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

* Identify and assess the risk of material misstatements in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.

* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

* Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

* Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

København, 28 June 2024

PricewaterhouseCoopers Statsautoriseret

Revisionspartnerselskab

CVR-no. 33771231

Allan Knudsen
State Authorised Public Accountant
mne29465

Alexander Oliver Duschek
State Authorised Public Accountant
mne47774

Capio FNE II ApS

Company details

Company	Capio FNE II ApS Masnedøgade 22, 5, 2100 København Ø
CVR No.	43711407
Date of formation	15 December 2022
Financial year	15 December 2022 - 31 December 2023
Executive Board	Ulrik Dan Weuder Dan Joseph Shapiro Bengt Arne Jarlsjo Brett David Buchanan Lotte Kemplar
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup CVR-no.: 33771231
Bank	SPAR NORD BANK A/S Skelagervej 15 9000 Aalborg

Management's Review

The Company's principal activities

The company's purpose is to develop, build and operate facilities as well as any business which, according to the managements's decision from time to time, is related to it.

Development in activities and the financial situation

The Company's Income Statement of the financial year 15 December 2022 - 31 December 2023 shows a result of DKK -4.010.242 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 39.758 and an equity of DKK 39.758.

Subsequent events

On 24 January 2024, Capio FNE II ApS applied to the Danish Energy Agency for a CO2 exploration and storage license for Gassum. On 24 June 2024, the company received rejection on their applications.

Accounting Policies

Reporting Class

The annual report of Capio FNE II ApS for 2022/23 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

As the financial year 2022/23 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency

The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement

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

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

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

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

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

Income statement

Other external expenses

Other external expenses include expenses other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, lease expenses, etc

Financial income and expenses

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

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

Accounting Policies

Tax on net profit for the year

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

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance sheet

Receivables

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

Impairment of accounts receivables past due is established on individual assessment of receivables.

Cash and cash equivalents

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

Equity

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

Other payables

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

Contingent assets and liabilities

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

Income Statement

	Note	2022/23 kr.
Gross profit		-4.010.509
Profit/loss before financial income and expenses		<u>-4.010.509</u>
Financial income		267
Profit/loss before tax		<u>-4.010.242</u>
Tax		0
Profit/loss		<u>-4.010.242</u>
 Proposed distribution of results		
Retained earnings		<u>-4.010.242</u>
Distribution of profit		<u>-4.010.242</u>

Capio FNE II ApS

Balance Sheet as of 31 December

	Note	2023 kr.
Assets		
Other short-term receivables		299
Receivables		<u>299</u>
Cash and cash equivalents		<u>39.459</u>
Current assets		<u>39.758</u>
Assets		<u>39.758</u>

Capio FNE II ApS

Balance Sheet as of 31 December

	Note	2023 kr.
Liabilities and equity		
Contributed capital		40.000
Share premium		4.010.000
Retained earnings		-4.010.242
Equity		39.758
Liabilities and equity		39.758
Contingent liabilities	1	
Related parties	2	

Capio FNE II ApS

Statement of changes in Equity

	Contributed capital	Retained earnings	Share premium	Total
Equity 15 December 2022	40.000	0	3.610.000	3.650.000
Profit (loss)	0	-4.010.242	0	-4.010.242
Contribution from group	0	0	400.000	400.000
Equity 31 December 2023	40.000	-4.010.242	4.010.000	39.758

Notes

1. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

2. Related parties

Information about consolidated financial statement:

Capio FNE II ApS is a 100% owned subsidiary of Capio FNE ApS which is part of the Fidelis New Energy Europe ApS concern. Fidelis New Energy Europe ApS is part of the Fidelis New Energy LLC concern, which is the ultimate parent company. The consolidated accounts can be requested at the following address:

109 North Post Oak Lane

Suite 140

Houston, Texas 77024

United States