
Weissenborn a/s

Sadelmagervej 20, DK-7100 Vejle

Annual Report for 2023

CVR No. 12 47 83 05

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 13/3 2024

Ove Georg Rasmussen
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Weissenborn a/s for the financial year 1 January - 31 December 2023.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

In our opinion, 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.

Vejle, 13 March 2024

Executive Board

Peter Møller
Manager

Board of Directors

Ove Georg Rasmussen
Chairman

Morten Haaning Christensen

Peter Møller

Arne Karschunke

Poul Laursen

Independent Auditor's report

To the shareholder of Weissenborn a/s

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 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Weissenborn a/s for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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 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 liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

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 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.

Trekantområdet, 13 March 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Henrik Skriver Lykke

State Authorised Public Accountant

mne15094

Company information

The Company	Weissenborn a/s Sadelmagervej 20 DK-7100 Vejle Telephone: 75 72 77 00 CVR No: 12 47 83 05 Financial period: 1 January - 31 December Incorporated: 19 October 1988 Financial year: 35th financial year Municipality of reg. office: Vejle
Board of Directors	Ove Georg Rasmussen, chairman Morten Haaning Christensen Peter Møller Arne Karschunke Poul Laursen
Executive Board	Peter Møller
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle
Lawyers	Codex Advokater P/S Damhaven 5C 7100 Vejle
Bankers	Sydbank A/S Kongensgade 62 6700 Esbjerg

Management's review

Key activities

The main activity in 2023 has been to offer our own patented railing system (EverSafe System ®) in aluminum for offshore installation in the world, as well as subcontractor work where it is manufactured and delivered components in aluminum and stainless steel for end users in Denmark and Europe. Weissenborn a/s was sold on 31.03.2023 to Sabik Offshore GmbH, with the expectation of being able to deliver a wider product range for the Offshore wind industry.

Development in the year

The income statement of the Company for 2023 shows a loss of DKK 404,983, and at 31 December 2023 the balance sheet of the Company shows a positive equity of DKK 5,989,117.

The customer portfolio has become wider with its own product, where in addition to Europe it is now also delivered to the USA.

Revenue and earnings are below budget, as a US project has been postponed until 2024. The year's result is less satisfactory.

The past year and follow-up on development expectations from last year

A look back at 2023 bears witness to a changing offshore market, where new and other players are bidding major contracts. Expectations for the coming years are based on a strategic growth where own products together with our new owners' product portfolio will mean that we can offer a wider product range.

Uncertainty relating to recognition and measurement

The uncertainty in 2023 has been characterized by the shutdown or postponement of offshore wind projects. There will also in 2024 will be uncertainties in the mentioned areas, but it seems that the market will return in full force from 2025.

Unusual events

The financial position at 31 December 2023 of the Company and the results of the activities and cash flows of the Company for the financial year for 2023 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit		10,181,067	8,584,851
Distribution expenses		-324,460	-235,870
Administrative expenses	1	-9,965,780	-6,211,466
Profit/loss before financial income and expenses		-109,173	2,137,515
Financial income	2	25,953	3,151
Financial expenses	3	-469,477	-285,005
Profit/loss before tax		-552,697	1,855,661
Tax on profit/loss for the year	4	147,714	-411,592
Net profit/loss for the year		-404,983	1,444,069

Distribution of profit

	2023	2022
	DKK	DKK
Proposed distribution of profit		
Retained earnings	-404,983	1,444,069
	-404,983	1,444,069

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Acquired patents		94,440	91,415
Prepayment		0	0
Intangible assets	5	94,440	91,415
Other fixtures and fittings, tools and equipment		1,735,855	1,526,472
Leasehold improvements		1,706	6,821
Prepayments for property, plant and equipment		287,388	0
Property, plant and equipment	6	2,024,949	1,533,293
Other receivables	7	542,167	180,611
Fixed asset investments		542,167	180,611
Fixed assets		2,661,556	1,805,319
Raw materials and consumables		4,447,660	5,343,180
Work in progress		2,463,119	1,705,530
Finished goods and goods for resale		3,417,876	752,443
Prepayments for goods		0	536,401
Inventories		10,328,655	8,337,554
Trade receivables		6,170,554	5,118,731
Contract work in progress	8	0	4,141,523
Receivables from group enterprises		0	251,243
Other receivables		1,082,405	1,054,900
Prepayments		250,172	141,361
Receivables		7,503,131	10,707,758
Cash at bank and in hand		687	1,510
Current assets		17,832,473	19,046,822
Assets		20,494,029	20,852,141

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		625,000	625,000
Retained earnings		5,364,117	5,769,099
Equity		5,989,117	6,394,099
Provision for deferred tax		313,154	460,868
Provisions		313,154	460,868
Other payables		1,130,711	1,135,237
Long-term debt	9	1,130,711	1,135,237
Credit institutions		4,861,023	4,370,729
Prepayments received from customers		1,285,282	1,394,640
Trade payables		4,095,145	6,328,630
Payables to group enterprises		790,788	0
Payables to group enterprises relating to corporation tax		0	96,250
Other payables	9	2,028,809	671,688
Short-term debt		13,061,047	12,861,937
Debt		14,191,758	13,997,174
Liabilities and equity		20,494,029	20,852,141
Contingent assets, liabilities and other financial obligations	10		
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Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January	625,000	5,769,100	6,394,100
Net profit/loss for the year	0	-404,983	-404,983
Equity at 31 December	625,000	5,364,117	5,989,117

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
1. Staff		
Wages and salaries, pensions, other social security expenses and other staff expenses are recognised in the following items:		
Production expenses	7,009,431	5,305,528
Administrative expenses	7,526,598	4,606,603
	<u>14,536,029</u>	<u>9,912,131</u>
Average number of employees	<u>22</u>	<u>18</u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
2. Financial income		
Interest received from group enterprises	0	2,521
Other financial income	25,953	630
	<u>25,953</u>	<u>3,151</u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
3. Financial expenses		
Interest paid to group enterprises	2,289	0
Other financial expenses	467,188	285,005
	<u>469,477</u>	<u>285,005</u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
4. Income tax expense		
Current tax for the year	0	96,250
Deferred tax for the year	-147,714	315,342
	<u>-147,714</u>	<u>411,592</u>

Notes to the Financial Statements

5. Intangible fixed assets

	Acquired patents
	DKK
Cost at 1. January	91,415
Additions for the year	3,025
Cost at 31. December	<u>94,440</u>
Carrying amount at 31. December	<u>94,440</u>

6. Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvement s	Prepayments for property, plant and equipment
	DKK	DKK	DKK
Cost at 1. January	6,301,453	360,665	0
Additions for the year	447,386	0	287,388
Disposals for the year	-1,047,688	0	0
Cost at 31. December	<u>5,701,151</u>	<u>360,665</u>	<u>287,388</u>
Impairment losses and depreciation at 1. January	4,690,527	353,843	0
Depreciation for the year	238,002	5,116	0
Impairment and depreciation of sold assets for the year	-963,233	0	0
Impairment losses and depreciation at 31. December	<u>3,965,296</u>	<u>358,959</u>	<u>0</u>
Carrying amount at 31. December	<u>1,735,855</u>	<u>1,706</u>	<u>287,388</u>
Amortised over	<u>3-10 years</u>	<u>5-8 years</u>	

7. Other fixed asset investments

	Other receivables
	DKK
Cost at 1. January	329,280
Additions for the year	212,887
Cost at 31. December	<u>542,167</u>
Carrying amount at 31. December	<u>542,167</u>

Notes to the Financial Statements

	2023	2022
	DKK	DKK
8. Contract work in progress		
Contract work in progress is recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	0	4,141,523
	<u>0</u>	<u>4,141,523</u>

	2023	2022
	DKK	DKK
9. Long-term debt		

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Other payables

After 5 years	0	0
Between 1 and 5 years	1,130,711	1,135,237
Long-term part	1,130,711	1,135,237
Other short-term payables	2,028,809	671,688
	<u>3,159,520</u>	<u>1,806,925</u>

	2023	2022
	DKK	DKK
10. Contingent assets, liabilities and other financial obligations		

Charges and security

The following assets have been placed as security with bankers:

Corporate pledge of a total of DKK 5,500,000 in intangible fixed assets, operating inventory and equipment, inventory, debtors and work in progress works whose book value amounts to

18,401,213	19,275,516
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Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	914,701	347,035
Between 1 and 5 years	72,742	0
	<u>987,443</u>	<u>347,035</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
10. Contingent assets, liabilities and other financial obligations		
Guarantee obligations		
Guarantee for Weissenborn Invest ApS's intermediate with Totalkredit A/S.	0	3,333,825
Guarantee for Weissenborn Invest ApS's current account with Sydbank A/S.	0	500,000
Provision of guarantees in Sydbank A/S to customers.	1,077,000	1,077,000
Deposit and guarantee obligations towards affiliated companies.	0	3,833,825

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Sabik Offshore ApS is the management company of the joint taxation. 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 Company's liability.

Notes to the Financial Statements

11. Accounting policies

The Annual Report of Weissenborn a/s for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Recognition and measurement

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 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 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Customer contracts qualifying as contract work in progress (construction contracts) are recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

As at 31 December 2023 no customer contracts qualify as contract work in progress. All work in progress is therefore included as work in progress under inventories measured at the lower of cost under FIFO method and net realisable value.

Notes to the Financial Statements

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Production expenses

Production expenses comprise costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, production expenses and other operating income.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial 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 for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Sabik Offshore ApS. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Intangible fixed assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 5 year.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Notes to the Financial Statements

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5-8 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Other fixed asset investments

Other fixed asset investments consist of

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable 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 and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

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.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Notes to the Financial Statements

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

As at 31 December 2023 no customer contracts qualify as contract work in progress. All work in progress is therefore included as work in progress under inventories measured at the lower of cost under FIFO method and net realisable value.

Prepayments

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

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

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