

Swire Renewable Energy Holding A/S

Lyshøjen 4, st. tv., 8520 Lystrup

CVR no. 25 55 89 36

Annual report 2022

Approved at the Company's annual general meeting on 22 June 2023

Chair of the meeting:

.....
John Bruce Rae Smith

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Swire Renewable Energy Holding A/S for the financial year 1 January - 31 December 2022.

The annual report is 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 of the Group and the Company at 31 December 2022 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Lystrup, 22 June 2023
Executive Board:

.....
Ryan Jon Smith
Managing Director

Board of Directors:

.....
John Bruce Rae Smith
Chairman

.....
Flemming Obenhausen
Andersen

.....
Ryan Jon Smith

Independent auditor's report

To the shareholder of Swire Renewable Energy Holding A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Swire Renewable Energy Holding A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are 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 of the Group and the Parent Company at 31 December 2022, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

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 consolidated financial statements and the parent Company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and 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 as to 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 the 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:

Independent auditor's report

- ▶ 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 note 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

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

Aarhus,
 EY Godkendt Revisionspartnerselskab
 CVR no. 30 70 02 28

Tom B. Lassen
 State Authorised Public Accountant
 mne24820

Søren Strandgaard Nielsen
 State Authorised Public Accountant
 mne47823

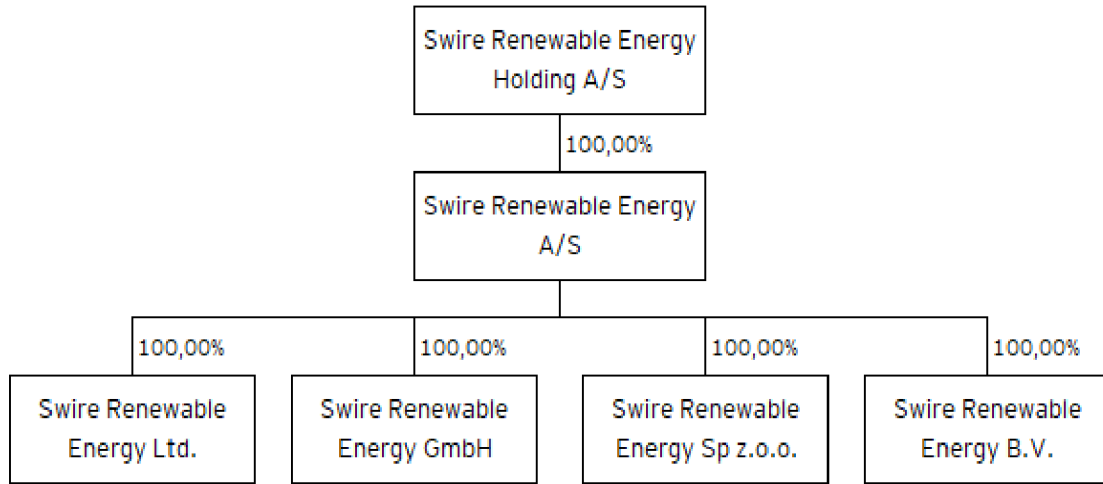
Management's review

Company details

Name	Swire Renewable Energy Holding A/S
Address, Postal code, City	Lyshøjen 4, st. tv., 8520 Lystrup
CVR no.	25 55 89 36
Established	13 December 2013
Registered office	Aarhus
Financial year	1 January - 31 December
Website	www.swire-re.com
E-mail	commercial@swire-re.com
Telephone	+45 3360 1500
Board of Directors	John Bruce Rae Smith, Chairman Flemming Obenhausen Andersen Ryan Jon Smith
Executive Board	Ryan Jon Smith, Managing Director
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Group chart



Management's review

Financial highlights for the Group

DKK'000	2022 12 months	2021 8 months	2020 12 months	2019 12 months	2018 12 months
Key figures					
Revenue	344,774	223,920	298,961	382,080	529,695
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	-51,903	-13,999	4,112	2,686	17,723
Profit before interest and tax (EBIT)	-127,300	-22,969	-25,503	-61,347	-10,185
Operating profit/loss	-127,729	-25,114	-31,177	-56,390	-5,263
Net financials	-6,598	-14,429	-8,526	-14,873	-9,591
Profit/loss for the year	-136,822	-46,931	-36,136	-67,811	-16,815
Total assets	138,043	178,077	180,416	203,541	300,646
Investments in property, plant and equipment	-11,490	-5,181	-4,779	-6,492	-4,350
Equity	-82,913	-15,832	31,053	26,671	93,949
Cash flows from operating activities	-61,274	-72,510	11,244	2,143	3,729
Net cash flows from investing activities	-6,621	-6,146	-3,904	-5,704	-2,051
Cash flows from financing activities	77,501	78,423	-14,774	-3,999	12,477
Total cash flows	9,606	-233	-7,434	-7,560	14,155
Financial ratios					
Operating margin	-36.9%	-10.3%	-8.5%	-16.1 %	-1.9 %
Gross margin	28.3%	55.8%	76.3%	83.9%	76.8%
EBITDA-margin	-15.1%	-6.3%	1.4%	0.7%	3.3%
Return on assets	-80.8%	-14.0%	-16.2%	-22.4%	-1.8%
Equity ratio	-60.1%	-8.9%	17.2%	13.1%	31.2%
Return on equity	277.1%	-616.7%	-125.2%	-112.4%	-16.4%
Average number of full-time employees					
	226	241	268	418	553

The financial ratios stated under "Financial highlights" have been calculated as follows:

Ordinary operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Operating margin	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Revenue}}$
Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
EBITDA-margin	$\frac{\text{Earnings before interest, taxes and amortisations (EBITDA)} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

Management's review

Business review

The Group's main activities are in the utility sector, primarily in the renewable industries, which it carries out through the operating company Swire Renewable Energy A/S and its subsidiaries in other locations. The activities consist of installation, construction and services, as well as all other activities which, at the discretion of the Board of Directors, are related thereto.

The Parent Company's objective is to hold shares in wholly or partly owned companies.

Financial review

The income statement for 2022 shows a loss of DKK 136,822 thousand against a loss of DKK 46,931 last year, and the balance sheet at 31 December 2022 shows a negative equity of DKK 82,913 thousand. The Group's revenue amounted to DKK 344.774 thousand (12 months) against DKK 223,920 thousand (8 months) last year, which is in the range of what was expected last year.

Compared with the expectations for 2022, the net profit/loss for the year developed negatively due to problematic execution of certain customer projects resulting in a negative impact on the financial results. In addition, the results for 2022 were negatively impacted by a decision to impair the goodwill in line with appropriate accounting standards.

Management has assessed the value of the Group's goodwill. The valuation is based on a five year budget, WACC of 11% and a terminal growth of 2%. Based on the impairment valuation of the Group's goodwill, the Company has made a write-down of goodwill of DKK 60 million.

Management considers the results unsatisfactory due to the various challenges faced by the business, and has subsequently restructured the Executive Management, and middle management accordingly to ensure the company has more streamlined and experienced operations, with clearly defined roles and accountability in a matrix format.

Non-financial matters

Corporate governance

Swire Renewable Energy Holding A/S owns 100% of Swire Renewable Energy A/S. Swire Renewable Energy Holding A/S is owned 100% by Swire Energy Services (Holdings) Limited.

Financial risks and use of financial instruments

Risk assessment and risk management

The Board of Directors and the Executive Board determine and approve overall policies, procedures and controls of important areas in the day-to-day operation of the Company. The foundation for this is a clear organizational structure, clear guidelines, authorization, certification procedures and segregation of duties.

The Board of Directors and the Executive Board regularly (at least annually) assess significant risks and internal controls in connection with the Company's activities. On this basis, ongoing actions are evaluated and adopted to eliminate and/or reduce risks, including business and financial risks, based on a Risk Management policy. In addition, the Executive Management has established a Risk Committee comprising the company CEO, CFO, Legal Officer and Insurance and Risk Advisor to oversee corporate governance, and commercial and operational risk going forward.

As part of the risk assessment, the Board of Directors and the Executive Board annually assess the risk of fraud and the measures taken to reduce and/or eliminate these risks.

Business and financial risks

General risks

The Group is not exposed to any specific risks which are not common for the type of business activities performed by the Group, except for currency risks.

It is Group policy not to engage in speculation of financial risks. The Group's policy focuses only on the management and reduction of the financial risks that are a direct consequence of the Group's operations.

Management's review

Currency risks

The Group has international activities, and some countries have volatile currencies, which expose the Group to currency risks.

Impact on the external environment

The Group focuses on the environmental impact from the Group's activities. The Group is environmentally certified to ISO 14001:2015. An environmental policy and targets have been laid down that are to ensure continuous focus on the area and on improvements.

The Group focuses on security and working environment driven by the Group's activities. The Group is certified to ISO 45001:2018. A working environment policy and targets have been laid down that focus on job satisfaction, low sickness absence and prevention of work-related injuries.

A working environment organisation (AMO) has been established in accordance with the Danish regulations, and similar establishments are being progressed within the subsidiary companies where similar applicable regulations and requirements apply.

In order to foster that the course of disease/course of injury is as short as possible, the Group has a permanent employee health insurance that covers a range of diseases and injuries as well as consequences therefrom. Heart defibrillators are available at all group locations.

We also recognise that to mitigate damaging climate change the world needs to act swiftly and decisively to reduce carbon emissions, therefore, we have made the commitment reach net-zero by 2030.

It is the policy of Swire Renewable Energy to:

- ▶ Be a leader in sustainable development in the industries in which we operate;
- ▶ Reduce our carbon footprint by adopting industry best practices, improving energy efficiency, and increasing the use of renewable energy;
- ▶ Turn today's waste into a resource for tomorrow, contributing to the creation of a circular economy, where waste materials are no longer simply thrown away, but are retained and reused as a future resource;
- ▶ Use water responsibly and sustainably and to protect watershed;
- ▶ Source materials responsibly and sustainably, including ensuring that our suppliers meet our sustainability goals;
- ▶ Bring value to the communities in which we operate and respect their culture and heritage;
- ▶ Encourage our staff to engage actively in sustainable development matters at work and in the community;
- ▶ Monitor the company's performance and report regularly.

Statutory CSR report

The statutory CSR report cf. the Danish Business Authorities guideline on § 99a is published on the Group's website:

Link: <https://swire-re.com/company/sustainability>

Management's review

Account of the gender composition of Management

The Company has a target number for representation on the Company's Board of Directors. The aim is that approx. 25% of board members are to be made up of women within 2026. The Board of Directors currently has 3 members, who are all men. The Board of Directors will primarily be composed of members based on experience and skills, and as there have not been any candidates among the underrepresented gender with the requested qualifications, there have not been any replacements on the Board of Directors.

The company has not developed policies to increase the proportion of the underrepresented gender at the company's other management level, as the company had fewer than 50 employees during the financial year.

Data ethics

Swire Renewable Energy Holding A/S does not consider it relevant to draw up a policy for data ethics. In this connection, the Company attaches importance to the fact that the Company only to a limited extent collects and processes data and does not use new technologies as part of the Company's main activity and does not itself or through external suppliers carry out specific data analyses, evaluations or segmentations. Swire Renewable Holding A/S also adopt group policies with respect to GDPR where appropriate and do not keep individual data unless agreed employees, contractors and clients with express permission to do so for business purposes only.

Events after the balance sheet date

Subsequent to the financial yearend, the Company has re-established the equity in connection with debt forgiveness (danish: koncerntilskud). The Company has received debt forgiveness of DKK 165,000 thousand from the Company's parent company. The debt forgiveness is given through debt forgiveness of parts of the group balances with the parent company to unrestricted equity.

Management has evaluated the need for liquidity for the coming year and in their opinion the company has secured sufficient liquidity for the coming year to finance their ongoing operations. This is due to a combination of the debt forgiveness of DKK 165,000 thousand from the shareholder combined with existing credit lines from the shareholder.

The Shareholders have invested in the Company in order to establish a long term business in the servicing of renewable energy assets and infrastructure. Although the 2022 results were unfavorable, the Shareholder maintains full support to fund the business on a long term basis.

Outlook

Management expects to report revenue in the range of 340-400 mDKK for 2023 and EBITDA of 0-10 mDKK before exceptional items and a loss before tax for the year in the range of 20-35 mDKK.

Inflationary pressure across the globe has created challenges in respect of cost and availability of equipment and services. The Wind market though is robust in the face of these challenges and with globally installed capacity of wind turbines increasing, the Group expects to report increased revenue and for future years associated improvements in profitability.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

Note	DKK	Group		Parent company	
		2022 12 months	2021 8 months	2022 12 months	2021 8 months
5	Revenue	344,773,660	223,919,595	0	0
	Cost of sales	-186,070,252	-80,830,046	0	0
	Other operating income	429,838	2,164,644	0	0
6	Other external expenses	-61,467,207	-20,220,109	-16,817	-3,209,900
	Gross profit	97,666,039	125,034,084	-16,817	-3,209,900
7	Staff costs	-149,569,008	-139,013,494	0	0
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-75,396,656	-8,970,015	0	0
	Other operating expenses	0	-19,858	0	0
	Profit/loss before net financials	-127,299,625	-22,969,283	-16,817	-3,209,900
	Income from investments in group enterprises	0	0	-133,347,705	-26,649,771
8	Financial income	18,837	1,272	631,936	10,698
9	Financial expenses	-6,616,587	-14,430,565	-4,089,327	-10,680,850
	Profit/loss before tax	-133,897,375	-37,398,576	-136,821,913	-40,529,823
10	Tax for the year	-2,924,538	-9,532,847	0	-6,401,600
	Profit/loss for the year	<u>-136,821,913</u>	<u>-46,931,423</u>	<u>-136,821,913</u>	<u>-46,931,423</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December
Balance sheet

Note	DKK	Group		Parent company	
		2022	2021	2022	2021
		ASSETS			
		Fixed assets			
11	Intangible assets				
	Acquired intangible assets	739,861	1,761,407	0	0
	Group goodwill	30,954,402	100,244,482	0	0
		<u>31,694,263</u>	<u>102,005,889</u>	<u>0</u>	<u>0</u>
12	Property, plant and equipment				
	Fixtures and fittings, other plant and equipment	16,439,522	10,398,347	0	0
	Leasehold improvements	174,656	239,096	0	0
		<u>16,614,178</u>	<u>10,637,443</u>	<u>0</u>	<u>0</u>
13	Investments				
	Investments in group entities	0	0	0	59,842,266
	Deposits	779,364	625,373	0	0
		<u>779,364</u>	<u>625,373</u>	<u>0</u>	<u>59,842,266</u>
	Total fixed assets	<u>49,087,805</u>	<u>113,268,705</u>	<u>0</u>	<u>59,842,266</u>
	Non-fixed assets				
	Inventories				
	Finished goods and goods for resale	5,280,432	7,307,533	0	0
	Prepayments for goods	4,441,150	0	0	0
		<u>9,721,582</u>	<u>7,307,533</u>	<u>0</u>	<u>0</u>
	Receivables				
	Trade receivables	53,313,623	36,487,539	0	0
14	Work in progress	9,123,692	9,611,000	0	0
	Receivables from group entities	0	0	36,100,857	51,375,691
	Other receivables	4,747,863	9,466,826	0	0
15	Prepayments	1,096,397	588,934	0	0
		<u>68,281,575</u>	<u>56,154,299</u>	<u>36,100,857</u>	<u>51,375,691</u>
	Cash	<u>10,952,160</u>	<u>1,346,809</u>	<u>0</u>	<u>0</u>
	Total non-fixed assets	<u>88,955,317</u>	<u>64,808,641</u>	<u>36,100,857</u>	<u>51,375,691</u>
	TOTAL ASSETS	<u><u>138,043,122</u></u>	<u><u>178,077,346</u></u>	<u><u>36,100,857</u></u>	<u><u>111,217,957</u></u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK	Group		Parent company	
		2022	2021	2022	2021
		EQUITY AND LIABILITIES			
		Equity			
16	Share capital	5,281,834	5,281,834	5,281,834	5,281,834
	Translation reserve	-231,657	27,509	0	0
	Retained earnings	-87,963,020	-21,141,107	-88,194,677	-21,113,598
	Total equity	-82,912,843	-15,831,764	-82,912,843	-15,831,764
		Liabilities other than provisions			
18	Non-current liabilities other than provisions				
	Lease liabilities	5,349,541	2,739,000	0	0
	Other payables	10,522,090	16,948,172	0	0
		15,871,631	19,687,172	0	0
		Current liabilities other than provisions			
18	Short-term part of long-term liabilities other than provisions	4,437,600	5,251,919	0	0
	Bank debt	616,008	10,896,693	0	0
14	Work in progress	11,396,267	1,488,000	0	0
	Trade payables	11,431,649	7,942,211	30,000	14,999
	Payables to group entities	144,816,298	127,034,722	118,983,700	127,034,722
	Corporation tax payable	1,458,827	565,980	0	0
	Other payables	30,927,685	21,042,413	0	0
		205,084,334	174,221,938	119,013,700	127,049,721
	Total liabilities other than provisions	220,955,965	193,909,110	119,013,700	127,049,721
	TOTAL EQUITY AND LIABILITIES	138,043,122	178,077,346	36,100,857	111,217,957

- 1 Accounting policies
- 2 Capital resources
- 3 Events after the balance sheet date
- 4 Special items
- 19 Contractual obligations and contingencies, etc.
- 20 Collateral
- 21 Related parties
- 22 Appropriation of profit/loss

Consolidated financial statements and parent company financial statements 1 January - 31 December
Statement of changes in equity

		Group			
		Share capital	Translation reserve	Retained earnings	Total
Note	DKK				
	Equity at 1 May 2021	5,299,999	-19,086	25,772,151	31,053,064
	Capital reduction	-18,165	0	18,165	0
	Transfer through appropriation of loss	0	0	-46,931,423	-46,931,423
	Adjustment of investments through foreign exchange adjustments	0	46,595	0	46,595
	Equity at 1 January 2022	5,281,834	27,509	-21,141,107	-15,831,764
	Transfer through appropriation of loss	0	0	-136,821,913	-136,821,913
	Adjustment of investments through foreign exchange adjustments	0	-259,166	0	-259,166
	Contribution from group	0	0	70,000,000	70,000,000
	Equity at 31 December 2022	5,281,834	-231,657	-87,963,020	-82,912,843
		Parent company			
		Share capital	Retained earnings	Total	
Note	DKK				
	Equity at 1 May 2021	5,299,999	25,753,065	31,053,064	
	Capital reduction	-18,165	18,165	0	
22	Transfer, see "Appropriation of profit/loss"	0	-46,931,423	-46,931,423	
	Adjustment of investments through foreign exchange adjustments	0	46,595	46,595	
	Equity at 1 January 2022	5,281,834	-21,113,598	-15,831,764	
22	Transfer, see "Appropriation of profit/loss"	0	-136,821,913	-136,821,913	
	Adjustment of investments through foreign exchange adjustments	0	-259,166	-259,166	
	Contribution from group	0	70,000,000	70,000,000	
	Equity at 31 December 2022	5,281,834	-88,194,677	-82,912,843	

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

		Group	
Note	DKK	2022 12 months	2021 8 months
	Profit/loss for the year	-136,821,913	-46,931,423
23	Adjustments	80,089,162	34,773,470
	Cash generated from operations (operating activities)	-56,732,751	-12,157,953
24	Changes in working capital	2,056,404	-45,922,548
	Cash generated from operations (operating activities)	-54,676,347	-58,080,501
	Interest received, etc.	18,837	1,272
	Interest paid, etc.	-6,616,587	-14,430,565
	Cash flows from operating activities	-61,274,097	-72,509,794
	Additions of intangible assets	-468,636	-852,033
	Additions of property, plant and equipment	-6,417,816	-5,180,924
	Disposals of property, plant and equipment	419,000	0
	Purchase of financial assets	-153,991	-112,976
	Cash flows to investing activities	-6,621,443	-6,145,933
	Repayments/proceeds, overdraft facilities	0	4,799,968
	Proceeds of debt, group enterprises	87,781,576	127,034,722
	Repayments, long-term liabilities	0	-20,000,000
	Repayments, debt to banks	-10,280,685	-33,411,234
	Cash flows from financing activities	77,500,891	78,423,456
	Net cash flow	9,605,351	-232,271
	Cash and cash equivalents at 1 January	1,346,809	1,579,080
25	Cash and cash equivalents at 31 December	10,952,160	1,346,809

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Swire Renewable Energy Holding A/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates and joint ventures are recognised in the consolidated financial statements using the equity method.

The group's activities in joint operations are recognised on a line-by-line basis.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Foreign group entities

Foreign subsidiaries and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Income from work in progress is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the work in progress performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from work in progress cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income

Other operating income and operating expenses comprise items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of fixed assets.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation and impairment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 20 years. The amortisation period is based on the type of business, earnings and market position of the business, the stability of the industry, and dependency on key staff.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Acquired intangible assets	3 years
Group goodwill	20 years
Fixtures and fittings, other plant and equipment	3-5 years
Leasehold improvements	5-8 years

The residual value amounts to DKK 0 as of 31.12.2022.

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Profit/loss from investments in subsidiaries

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In subsidiaries, the full elimination of internal profit and loss is carried out without regard to ownership shares. Only proportional elimination of profit and loss is carried out, taking into account ownership shares.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Investments

Other fixed asset investments consist of deposits.

Investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries is assessed for impairment on an annual basis.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Work in progress

Work in progress is measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Treasury shares

Purchases and sales of treasury shares are taken directly to equity under "Retained earnings".

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in subsidiaries and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Income taxes

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

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

2 Capital resources

Management has evaluated the need for liquidity for the coming year and in their opinion the company has secured sufficient liquidity for the coming year to finance their ongoing operations. This is due to a combination of the debt forgiveness of DKK 165,000 thousand from the shareholder combined with existing credit lines from the shareholder.

3 Events after the balance sheet date

Subsequent to the financial year-end, the Company has re-established the equity in connection with debt forgiveness (danish: koncerntilskud). The Company has received debt forgiveness of DKK 165,000 thousand from the Company's parent company. The debt forgiveness is given through debt forgiveness of parts of the group balances with the parent company to unrestricted equity

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

4 Special items

Group

Special items comprise significant income and expenses of a special nature relative to the Company's revenue-generating operating activities. Special items may comprise expenses incurred for extensive structuring of processes and basic structural adjustments as well as any related disposal gains and losses, that have a material impact over time. Special items also comprise significant one-off items that, in Management's opinion, do not form part of the Company's primary operating activities and that are deemed not to be recurring.

As disclosed in the Management's review, the profit/loss for the year is affected by impairment of goodwill.

Special items for the year are specified below just as are the items under which they are recognised in the income statement.

	Group		Parent company	
	2022 12 months	2021 8 months	2022 12 months	2021 8 months
DKK				
Expenses				
Impairment of goodwill	-60,193,828	0	0	0
	<u>-60,193,828</u>	<u>0</u>	<u>0</u>	<u>0</u>
Special items are recognised in the below items of the financial statements				
Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-60,193,828	0	0	0
Net profit/loss on special items	<u>-60,193,828</u>	<u>0</u>	<u>0</u>	<u>0</u>

5 Segment information

Breakdown of revenue by business segment:

Manpower services	174,884,660	102,756,425	0	0
Projects	108,016,000	35,965,920	0	0
Service contracts	61,873,000	52,323,202	0	0
Manpower and other leases for the oil and gas industry	0	32,874,048	0	0
	<u>344,773,660</u>	<u>223,919,595</u>	<u>0</u>	<u>0</u>

Breakdown of revenue by geographical segment:

Revenue, Scandinavia	114,159,660	112,028,174	0	0
Revenue, Europe	165,916,000	101,408,565	0	0
Revenue, Far East	64,698,000	10,482,856	0	0
	<u>344,773,660</u>	<u>223,919,595</u>	<u>0</u>	<u>0</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

	Group		Parent company	
	2022 12 months	2021 8 months	2022 12 months	2021 8 months
DKK				
6 Fee to the auditors appointed in general meeting				
Total fees to EY	278,150	350,250	13,200	108,750
Statutory audit	173,250	153,000	9,240	8,000
Assurance engagements	0	15,000	0	0
Tax assistance	30,650	108,250	0	97,250
Other assistance	74,250	74,000	3,960	3,500
	<u>278,150</u>	<u>350,250</u>	<u>13,200</u>	<u>108,750</u>
7 Staff costs				
Wages/salaries	135,132,875	129,533,613	0	0
Pensions	12,253,011	9,687,499	0	0
Other social security costs	5,239,048	2,892,192	0	0
Other staff costs	5,346	190	0	0
Staff costs transferred to projects	-3,061,272	-3,100,000	0	0
	<u>149,569,008</u>	<u>139,013,494</u>	<u>0</u>	<u>0</u>
	Group		Parent company	
	2022	2021	2022	2021
Average number of full-time employees	226	241	0	0

Group

Total remuneration to Management: t.DKK 1,349 (2021: t.DKK 2,605).

The remuneration to Management is paid by Swire Renewable Energy A/S.

Parent company

The Parent Company has no employees.

	Group		Parent company	
	2022 12 months	2021 8 months	2022 12 months	2021 8 months
DKK				
8 Financial income				
Interest receivable, group entities	0	0	631,936	0
Other financial income	18,837	1,272	0	10,698
	<u>18,837</u>	<u>1,272</u>	<u>631,936</u>	<u>10,698</u>
9 Financial expenses				
Interest expenses, group entities	4,089,327	1,302,488	4,089,327	1,302,488
Other financial expenses	2,527,260	13,128,077	0	9,378,362
	<u>6,616,587</u>	<u>14,430,565</u>	<u>4,089,327</u>	<u>10,680,850</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

DKK	Group		Parent company	
	2022 12 months	2021 8 months	2022 12 months	2021 8 months
10 Tax for the year				
Estimated tax charge for the year	2,921,800	577,882	0	0
Deferred tax adjustments in the year	2,738	8,849,800	0	6,401,600
Tax adjustments, prior years	0	105,165	0	0
	<u>2,924,538</u>	<u>9,532,847</u>	<u>0</u>	<u>6,401,600</u>

11 Intangible assets

DKK	Group		
	Acquired intangible assets	Group goodwill	Total
Cost at 1 January 2022	6,485,182	260,241,900	266,727,082
Additions	468,636	0	468,636
Cost at 31 December 2022	<u>6,953,818</u>	<u>260,241,900</u>	<u>267,195,718</u>
Impairment losses and amortisation at 1 January 2022	4,723,775	159,997,418	164,721,193
Impairment losses for the year	0	60,193,828	60,193,828
Amortisation for the year	1,490,182	9,096,252	10,586,434
Impairment losses and amortisation at 31 December 2022	<u>6,213,957</u>	<u>229,287,498</u>	<u>235,501,455</u>
Carrying amount at 31 December 2022	<u>739,861</u>	<u>30,954,402</u>	<u>31,694,263</u>

12 Property, plant and equipment

DKK	Group		
	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 January 2022	19,985,899	650,834	20,636,733
Additions	11,489,764	0	11,489,764
Disposals	-2,504,922	0	-2,504,922
Cost at 31 December 2022	<u>28,970,741</u>	<u>650,834</u>	<u>29,621,575</u>
Impairment losses and depreciation at 1 January 2022	9,587,552	411,738	9,999,290
Depreciation	4,555,509	64,440	4,619,949
Depreciation and impairment of disposals	-1,611,842	0	-1,611,842
Impairment losses and depreciation at 31 December 2022	<u>12,531,219</u>	<u>476,178</u>	<u>13,007,397</u>
Carrying amount at 31 December 2022	<u>16,439,522</u>	<u>174,656</u>	<u>16,614,178</u>
Property, plant and equipment include finance leases with a carrying amount totalling	<u>10,014,928</u>	<u>0</u>	<u>10,014,928</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

13 Investments

	<u>Group</u>
	<u>Deposits</u>
DKK	
Cost at 1 January 2022	625,373
Additions	153,991
Cost at 31 December 2022	<u>779,364</u>
Value adjustments at 1 January 2022	0
Value adjustments at 31 December 2022	0
Carrying amount at 31 December 2022	<u>779,364</u>
	<u>Parent company</u>
	<u>Investments in</u>
	<u>group entities</u>
DKK	
Cost at 1 January 2022	300,765,058
Cost at 31 December 2022	<u>300,765,058</u>
Value adjustments at 1 January 2022	-240,922,792
Profit/loss for the year	-133,347,705
Changes in equity	-259,166
Impairment losses (Offset in receivables)	<u>73,764,605</u>
Value adjustments at 31 December 2022	-300,765,058
Carrying amount at 31 December 2022	<u>0</u>

Parent company

Name	Legal form	Domicile	Interest
Swire Renewable Energy A/S	Private limited company	Aarhus	100.00%
- Swire Renewable Energy Ltd.*	Limited liability company	England	100.00%
- Swire Renewable Energy GmbH*	Limited liability company	Germany	100.00%
- Swire Renewable Energy Sp Z.o.o.*	Limited liability company	Poland	100.00%
- Swire Renewable Energy B.V.*	Limited liability company	The Netherlands	100.00%

*Subsidiaries of Swire Renewable Energy A/S

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Notes to the financial statements

DKK	Group		Parent company	
	2022	2021	2022	2021
14 Work in progress				
Selling price of work performed	35,611,371	21,378,000	0	0
Progress billings	-37,883,946	-13,255,000	0	0
	<u>-2,272,575</u>	<u>8,123,000</u>	<u>0</u>	<u>0</u>
recognised as follows:				
Work in progress (assets)	9,123,692	9,611,000	0	0
Work in progress (liabilities)	-11,396,267	-1,488,000	0	0
	<u>-2,272,575</u>	<u>8,123,000</u>	<u>0</u>	<u>0</u>

15 Prepayments

Group

Prepayments include accrual of expenses relating to subsequent financial years, including rent, insurance premiums and subscriptions.

DKK	Parent company				
	2022	2021	2020	2019	2018
16 Share capital					
Analysis of the share capital:					
5,281,834 A shares of DKK 1.00 nominal value each				5,281,834	5,281,834
				<u>5,281,834</u>	<u>5,281,834</u>
Analysis of changes in the share capital over the past 5 years:					
DKK	2022	2021	2020	2019	2018
Opening balance	5,281,834	5,299,999	4,231,666	4,231,666	4,231,666
Capital increase	0	0	1,068,333	0	0
Capital reduction	0	-18,165	0	0	0
	<u>5,281,834</u>	<u>5,281,834</u>	<u>5,299,999</u>	<u>4,231,666</u>	<u>4,231,666</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

DKK	Group		Parent company	
	2022	2021	2022	2021
17 Deferred tax				
Deferred tax at 1 January	0	-10,094,800	0	-6,401,600
Deferred tax adjustment in the year, income statement	0	8,849,800	0	6,401,600
Deferred tax adjustment in the year, due to demerger	0	1,245,000	0	0
Deferred tax at 31 December	0	0	0	0

Group

The Group has a tax loss carry-forwards at a carrying amount of DKK 141 mio. As it is uncertain if these tax losses can be utilised within a foreseeable future, their carrying amount has not been recognised in the financial statements.

18 Non-current liabilities other than provisions

DKK	Group			
	Total debt at 31/12 2022	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Lease liabilities	9,787,141	4,437,600	5,349,541	0
Other payables	10,522,090	0	10,522,090	10,522,090
	20,309,231	4,437,600	15,871,631	10,522,090

19 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK	Group		Parent company	
	2022	2021	2022	2021
Rent and lease liabilities	2,399,000	1,862,000	0	0

Group

Rent and lease liabilities include a rent obligation totalling DKK 1,574 thousand in interminable rent agreements with remaining contract terms of 0-2 years. Furthermore, the Company has liabilities under operating leases for cars and IT equipment, totalling DKK 825 thousand, with remaining contract terms of 3 years.

Parent company

As management company, the Company is jointly taxed with other Danish group entities. The Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes and withholding taxes in the group of jointly taxed entities.

Guarantee commitments consist of an enforceable guarantee provided in respect of all outstanding bank commitments in:

- Swire Renewable Energy A/S

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

20 Collateral

Group

As security for the Group's debt to banks, the Group has provided security or other collateral in its assets for a total amount of DKK 26,500 thousand. The total carrying amount of these assets is DKK 98,625 thousand. The security/collateral and the carrying amount have been allocated to financial statement items as follows:

A company charge of DKK 26,500 thousand on the Company's assets at a carrying amount of DKK 98,625 thousand at 31 December 2022 has been provided as security for debt to banks, totalling DKK 616 thousand.

The Group's bank has provided work guarantees to third parties for a total of DKK 5,524 thousand.

Parent company

Shares in subsidiary at a carrying amount of DKK 0 thousand at 31 December 2022 have been provided as security for debt to banks, totalling DKK 616 thousand.

21 Related parties

Swire Renewable Energy Holding A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Swire Energy Services (Holdings) Limited	London, United Kingdom	Participating interest

Related party transactions

<u>DKK</u>	<u>2022</u>
Group	
Revenue from group entities	672,139
Purchase of services from group entities	27,446,833
Interest expenses from group entities	4,089,327
Debt forgiveness (danish: koncerntilskud)	70,000,000
Payables to group entities	144,750,051
Parent Company	
Interest expenses from group entities	4,089,327
Debt forgiveness (danish: koncerntilskud)	70,000,000
Payables to group entities	118,983,700

Transactions with full-owned subsidiaries (100%) have not been disclosed, cf. section 98 c (3) of the Danish Financial Statements Act.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

		Parent company	
DKK		2022 12 months	2021 8 months
22 Appropriation of profit/loss			
Recommended appropriation of profit/loss			
Retained earnings/accumulated loss		-136,821,913	-46,931,423
		<u>-136,821,913</u>	<u>-46,931,423</u>
		Group	
DKK		2022 12 months	2021 8 months
23 Adjustments			
Amortisation/depreciation and impairment losses		75,396,656	8,970,015
Financial income		-18,837	-1,272
Financial expenses		6,616,587	14,430,565
Tax for the year		892,847	683,047
Deferred tax		0	8,849,800
Other adjustments		-2,798,091	1,841,315
		<u>80,089,162</u>	<u>34,773,470</u>
24 Changes in working capital			
Change in inventories		-2,414,049	-1,800,831
Change in receivables		-12,127,276	-19,353,999
Change in trade and other payables		16,856,895	-24,767,718
Other changes in working capital		-259,166	0
		<u>2,056,404</u>	<u>-45,922,548</u>
25 Cash and cash equivalents at year-end			
Cash according to the balance sheet		10,952,160	1,346,809
		<u>10,952,160</u>	<u>1,346,809</u>

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Flemming Obenhausen Andersen

Client Signer

On behalf of: Swire Renewable Energy Holding A/S

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2023-06-22 14:52:56 UTC



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2023-06-22 16:01:18 UTC

Ryan Jon Smith

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On behalf of: Swire Renewable Energy Holding A/S

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Tom Barreth Lassen

EY Signer

On behalf of: EY Godkendt Revisionspartnerselskab

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2023-06-23 08:05:24 UTC



Soeren Nielsen

EY Signer

On behalf of: EY Godkendt Revisionspartnerselskab

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