



Mammoet Denmark A/S

Sjællandsvej 5
DK-7330 Brande

CVR no. 26 53 39 53

Annual report 2021

The annual report was presented and approved at the
Company's annual general meeting

on Friday 8th July 20 22

Signed by:

Michael Hansen

chairman of the annual general meeting

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Mammoet Denmark A/S for the financial year 1 January – 31 December 2021.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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


Aalborg, 8 July 2022


Executive Board:

DocuSigned by:

86C87693FF304FC...
Michael Christian Hansen

Board of Directors:

DocuSigned by:

686175802383469...
Graham Farraday Mosford
Chairman

DocuSigned by:

ACE330D28B174CA...
Raffaele Hendrikus
Tripadelli

DocuSigned by:

86C87693FF304FC...
Michael Christian Hansen



Independent auditor's report

To the shareholders of Mammoet Denmark A/S

Opinion

We have audited the financial statements of Mammoet Denmark A/S for the financial year 1 January – 31 December 2021 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 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 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.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that 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 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 company 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.



Independent auditor's report

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 Statement Act. We did not identify any material misstatement of the Management's review.

Aalborg, 8 July 2022

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

A handwritten signature in black ink, appearing to be 'Steffen S. Hansen', written over a horizontal line.

Steffen S. Hansen
State Authorised
Public Accountant
mne32737

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Management's review

Company details

Mammoet Denmark A/S

Sjællandsvej 5

DK-7330 Brande

Telephone:

+45 97 18 13 46

Website:

www.mammoetwind.com

E-mail:

info@mammoetwind.com

CVR no.:

26 53 39 53

Established:

21.03.2002

Registered office:

Brande

Financial year:

1 January – 31 December

Board of Directors

Graham Farraday Mosford (Chairman)

Raffaele Hendrikus Tripadelli

Michael Christian Hansen

Executive Board

Michael Christian Hansen

Auditor

KPMG

Statsautoriseret Revisionspartnerselskab

Østre Havnegade 22 D

DK-9000 Aalborg

Annual general meeting

The annual general meeting will be held on 8 July 2022.

Mammoet Denmark A/S

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Management's review

Operating review

Main activities

Following the internal decision to downsize operations in 2017/18, the core activity of the company is the leasing of assets to other Mammoet entities. During 2021, the last remaining LG1750 was sold to our sister company in the Netherlands for fair market value. This is the reason for the profit increase.

Development during the year

The income statement of the Company for 2021 shows an operating profit of DKK 6,678 thousand compared to an operating profit of DKK 706 thousand for 2020.

The Company reported a profit after tax of DKK 5,543 thousand, and at 31 December 2021 the balance sheet of the Company showed equity of DKK 154,082 thousand.

Through intercompany funding, the Company has sufficient cash resources.

Special Risks – operating risks and financial risks

Operating risks

The Company does not engage as an operating unit to external parties.

Foreign exchange risks

The majority of transactions carried out by the entity is in DKK or EUR, for which fluctuations are minimal.

Credit risks

The company does not engage with external customers. Income generated is through the leasing of assets to other group entities.

Targets and expectations for the year ahead

In 2022, the Management expects to merge the company with Mammoet Denmark Brande A/S.

Safety and environment

We work target-orientated and structured to continually improve environment and safety in our everyday work at the sites all over the world.

The Mammoet Management has zero tolerance for actions and decisions that may undermine safety to even the slightest extent, both when it comes to commercial issues as well as work undertaken by subcontractors.

It is an uncompromising stance that builds naturally on one of our core values.

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Management's review

Operating review

Subsequent events

External events do not have a material impact on the Company. The Company is currently in the process of being merged with Mammoet Denmark Brande A/S, with Mammoet Denmark Brande A/S as the surviving company.

Mammoet Denmark A/S

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Financial statements 1 January – 31 December**Income statement**

DKK'000	Note	2021	2020
Gross profit		7,304	3,365
Staff costs	2	-1	-22
Depreciation of fixtures and fittings, tools and equipment		-625	-2,637
Profit on investments in group entities		0	0
Operating profit		6,678	706
Financial income	3	1,033	797
Financial expenses	4	-484	-347
Profit before tax		7,227	1,157
Tax on profit for the year	5	-1,684	-1,153
Profit for the year	6	5,543	4

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DKK'000	Note	2021	2020
ASSETS			
Fixed assets			
Property, plant and equipment	7		
Fixtures and fittings, tools and equipment		19	29,722
		19	29,722
Investments	8		
Equity investments in group entities		34,259	34,259
		34,259	34,259
Total fixed assets		34,278	63,981
Receivables			
Contract work in progress	9	251	50
Receivables from group entities		132,137	104,697
Other receivables		4,864	853
Prepayments		17	17
		137,269	105,617
Total current assets		137,269	105,617
TOTAL ASSETS		171,547	169,598

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Financial statements 1 January – 31 December**Balance sheet**

DKK'000	Note	2021	2020
EQUITY AND LIABILITIES			
Equity			
Contributed capital		6,251	6,251
Retained earnings		147,831	142,288
Total equity		154,082	148,539
Provisions			
Provisions for deferred tax		4	3,716
Total provisions		4	3,716
Liabilities other than provisions			
Current liabilities other than provisions			
Credit institutions		9,652	10,935
Trade payables		65	95
Corporate tax		7,531	4,923
Payables to group entities		213	57
Other payables		0	1,333
		17,461	17,343
Total liabilities other than provisions		17,461	17,343
TOTAL EQUITY AND LIABILITIES		171,547	169,598
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Financial statements 1 January – 31 December**Statement of changes in equity**

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2021	6,251	142,288	148,539
Profit for the year	0	5,543	5,543
Equity at 31 December 2021	0	147,831	154,082

The contributed capital consists of 6,250 shares of a nominal value of DKK 1,000. No shares carry any special rights.

Except for the capital increase in 2019, no changes have been made to contributed capital during the last five years.

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Notes

1 Accounting policies

The annual report of Mammoet Denmark A/S for 2021 has been presented in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

Consolidated financial statements

According to section 112 (1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at 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 rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose is recognised in the income statement as financial income or financial expenses.

Non-current assets acquired in foreign currencies are translated at the exchange rates at the transaction date.

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1 Accounting policies (continued)

Income statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, the items "revenue" to and including "other external costs" are aggregated in the item "Gross profit"

Revenue

Revenue from the sale of services is recognised in the income statement as the services are provided (percentage of completion method).

Income from the sale of goods and finished goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be reliably measured and is expected to be received.

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

Other operating income

Other operating income comprises items secondary to the activities of the Company, including gains on the disposal of intangible assets and property, plant and equipment.

Other operating costs

Other operating costs comprise items secondary to the activities of the entities, including losses on the disposal of intangible assets and property, plant and equipment.

Depreciation/amortisation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

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Financial statements 1 January – 31 December**Notes****1 Accounting policies (continued)****Financial income and expenses**

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Dividends from equity investments in group entities and associates measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared. To the extent that the dividends exceed the accumulated earnings after the acquisition date, the dividends are recognised as a reduction of the cost of the equity investment.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Balance sheet**Fixtures and fittings, tools and equipment**

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Leasehold improvements	20 years
Fixtures and fittings, tools and equipment	3-15 years

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

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On initial recognition, leases for fixed assets that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are recognised in the balance sheet at the lower of fair value and the net present value of future lease payments. When the net present value is calculated, 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 depreciated as the Company's other fixed assets.

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations, etc.

Investments

Equity investments in group entities are measured at cost. When the cost exceeds the recoverable amount, write-down is made to this lower value. The cost is reduced by dividends received exceeding accumulated earnings after the acquisition date.

Other receivables and deposits are recognised at amortised cost.

Impairment of fixed assets

The carrying amount of fixtures and fittings, tools and equipment as well as investments in subsidiaries is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

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1 Accounting policies (continued)

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.

Consumables and spare parts are measured at cost, comprising purchase price plus delivery costs.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received.

Construction contracts

Construction contracts are measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion at the balance sheet date and the projected income from the individual work. The stage of completion is stated as the share of costs incurred in proportion to estimated total costs relating to the individual work.

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

The individual contract work is recognised in the balance sheet as receivables or payables, respectively. Net assets comprise total work in progress where the selling price of the work performed exceeds progress billings. Net liabilities comprise total work in progress where progress billings exceed the selling price.

Costs arising from sales work and contracting are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

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Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligations are recognised as financial liabilities at amortised cost.

Other liabilities are measured at net realisable value.

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Notes

	DKK'000	2021	2020
2	Staff costs		
	Wages and salaries	0	5
	Pensions	0	0
	Other social security costs	1	17
	Other staff expenses	0	0
		<u>1</u>	<u>22</u>
	Average number of full-time employees	<u>0</u>	<u>0</u>
3	Financial income		
	Interest received from group entities	887	663
	Other financial income	0	77
	Exchange gains, net	145	57
		<u>1,033</u>	<u>797</u>
4	Financial expenses		
	Interest paid to group entities	0	130
	Other financial expenses	485	119
	Exchange gains, net	0	98
		<u>485</u>	<u>347</u>

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DKK'000	2021	2020
5 Tax on profit/loss for the year		
Deferred tax adjustment for the year	-3,711	-2,939
Current tax adjustment for the year	7,531	3,304
Adjustment for previous years	-2,136	788
	<u>1,684</u>	<u>1,153</u>
6 Proposed profit appropriation/distribution of loss		
Retained earnings	<u>5,542</u>	<u>4</u>
7 Property, plant and equipment		
		Fixtures and fittings, tools and equipment
DKK'000		
Cost at 1 January 2021		50,186
Additions		0
Disposals		-49,996
Cost at 31 December 2021		<u>190</u>
Depreciation at 1 January 2021		20,464
Depreciation for the year		625
Reversed depreciation of assets sold		-20,918
Depreciation at 31 December 2021		<u>171</u>
Carrying amount at 31 December 2021		<u>19</u>

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Financial statements 1 January – 31 December**Notes****8 Equity investments in group entities**

DKK'000	2021	2020
Cost at 1 January 2021	34,259	34,262
Disposals for the year	0	-3
Carrying amount at 31 December 2021	34,259	34,259

Equity investments in group entities are specified as follows:

Name	Place of regi- stered office	Contribu- ted capital	Votes and owner- ship	Equity	Net profit/ loss for the year
DKK'000					
Mammoet Wind Ltd.	England	10	100%	-25,271	-1,763
Mammoet Denmark Brande A/S	Denmark	500	100%	38,614	3,936
Mammoet Wind	Brazil	262	100%	8,215	95

9 Contract work in progress

DKK'000	2021	2020
Selling price of worked performed	251	50
Progress billing made	0	0
	251	50
Specified as follows		
Construction contracts (assets)	251	50
Construction contracts (liabilities)	0	0
	251	50

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Financial statements 1 January – 31 December**Notes**

DKK'000

20212020**10 Contractual obligations, contingencies, etc.****Rental agreements and leases**

Total future lease payments under operating leases:

Within 1 year

425

560

Between 1 and 5 years

0

91

After 5 years

00425651**Contingent liabilities**

The Company has provided collateral for group entities' bank loans. At 31 December 2021, the group entities' bank loans amounted to DKK 28,047 thousand.

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income, etc. Mammoet Denmark A/S is the administrative company for the joint taxation. Danish entities are also jointly and severally liable for Danish tax in the form of dividend tax and interest tax.

11 Related party disclosures

Mammoet Denmark A/S' related parties comprise the following:

Control

Mammoet Europe Holding B.V., Karel Doormanweg 47, 3115 JD Schiedam, the Netherlands.

Mammoet Europe Holding B.V. holds the majority of the contributed capital in the Company

Mammoet Denmark Brande A/S is part of the consolidated financial statements of Mammoet Europe Holding B.V, registered office, which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of Mammoet Europe Holding B.V can be obtained by contacting the Company or at the following website: www.shv.nl