FairWind A/S

Lysholt Allé 6, 7100 Vejle

Annual report

2022

Company reg. no. 31 42 92 93

The annual report was submitted and approved by the general meeting on the 29 June 2023.

John Jørgen Funch
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of FairWind A/S for the financial year 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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

We recommend that the annual report be approved at the Annual General Meeting.

Vejle, 29 June 2023

Managing Director

John Jørgen Funch

Board of directors

Mike Winkel Chairman	Helene Anna Rasmusson Egebøl	Karin Ingrid Amanda Möllborg
Nils Henrik Tholander	Per Olof Martin Frankling	Wolfgang Müller

Independent auditor's report

To the Shareholders of FairWind A/S

Opinion

We have audited the financial statements of FairWind A/S for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations 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 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 Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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

Statement on Management’s Review

Management is responsible for Management’s Review.

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

Independent auditor's report

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

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

Based on the work we have performed, we conclude that 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 Management's Review.

Aarhus, 29 June 2023

Deloitte
State Authorised Public Accountants
Company reg. no. 33 96 35 56

Jacob Tækker Nørgaard
State Authorised Public Accountant
mne40049

Thomas Aamand Lund
State Authorised Public Accountant
mne47764

Company information

The company	FairWind A/S Lysholt Allé 6 7100 Vejle	
	Phone	+ 45 75 11 76 20
	Web site	www.fairwind.com
	Company reg. no.	31 42 92 93
	Established:	15 May 2008
	Domicile:	Vejle
	Financial year:	1 January - 31 December
Board of directors	Mike Winkel, Chairman Helene Anna Rasmusson Egebøl Karin Ingrid Amanda Möllborg Nils Henrik Tholander Per Olof Martin Frankling Wolfgang Müller	
Managing Director	John Jørgen Funch	
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab City Tower, Værkmestergade 2 8000 Aarhus	

Financial highlights

DKK in thousands.	2022	2021	2020	2019	2018
Income statement:					
Revenue	478.798	522.031	499.167	468.281	290.702
Gross profit	54.927	144.398	167.808	99.924	112.863
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	-10.898	24.024	14.826	-33.922	15.273
Operating profit/loss	-12.652	23.034	-549	-49.149	3.419
Net financials	-29.213	-10.239	-20.975	-2.691	-7.340
Profit before tax	-13.742	44.432	7.894	2.266	13.372
Net profit or loss for the year	-7.026	41.942	13.165	13.556	14.238
Statement of financial position:					
Balance sheet total	518.395	430.900	354.423	460.029	326.548
Investments in property, plant and equipment	3.562	1.366	9.064	10.426	23.746
Equity	118.889	130.509	92.743	97.073	80.337
Employees:					
Average number of full-time employees	124	238	344	92	47
Key figures in %:					
Gross margin ratio	11,5	27,7	33,6	21,3	38,8
Solvency ratio	22,9	30,3	26,2	21,1	24,6

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Gross margin ratio $$\frac{\text{Gross profit x 100}}{\text{Revenue}}$$

Solvency ratio $$\frac{\text{Equity, closing balance x 100}}{\text{Total assets, closing balance}}$$

The principal activities of the company

FairWind A/S's principal activities are technical installation of wind turbines and other related services.

Development in activities and financial matters

The profit for the year amounts to DKK -7.026 thousand (2021: 41.942 thousand) and total equity amounts to DKK 118.889 thousand (2021: 130.509 thousand). The result is impacted by DKK 23.184 thousand connected with a write-down of a Russian entity.

FairWind Group's Management considers the development in turnover and profit levels for the year satisfying given the circumstances in the market outside of the company's control.

The year 2022, has in many ways been a challenging year for FairWind A/S like for any others in our business. The year started with post effects from the COVID-19 and was followed by the invasion of Ukraine by Russia. Both countries with high activity levels with ongoing projects and therefore a challenge to navigate in. Taken the circumstances into consideration we manage to secure our employees in Ukraine and support on an ongoing basis by continuing to pay the required salaries. In Russia we decided to close the activities and retreat from the country until further notice which has impacted our net result negatively by 23MDKK.

The strength of our business is our capabilities to adjust to the current situation. With the war in Ukraine, FairWind early realized that a withdrawal from the Russian market was inevitable, while revenue from Ukraine would be heavily negatively impacted. Therefore, an early commercial focus shift was conducted to ensure revenue streams and mitigated for the impacted countries, which was successfully achieved with solutions in our Service, Offshore, and Central & North Region, compensating the lost revenue and securing a satisfying revenue for 2022.

FairWind was also impacted negatively by the continuing supply chain challenges because of the COVID-19, projects have been postponed and planning of resources has created some pressure to the organization, but effects has been less than seen in 2021.

FairWind is keen to follow our customers' technical development, and this year, several of our customers introduced new platforms. As strategic and preferred supplier to the largest OEMs in the world, our customers rely on our expertise and knowledge in these situations, meaning that FairWind was some of the first companies to install based on new technology. We had a steep learning curve, but eventually optimized the installation solution of these technologies together with our customers and now stand in a great position to execute projects with these new platforms.

The business has also been impacted by the current inflation trend worldwide. To mitigate this risk, renegotiations with customers have taken place throughout the year. Our proactive approach and dedicated focus on cost controlling and mitigating activities means that we were able to withstand the pressure in a satisfactory manner, keeping cost increases below inflation rates in the majority of our countries.

The challenges mentioned above also resulted in an increased net working capital combined with extra investment in tools and training to support the customers new platforms impacted the cash position negatively by the end of 2022.

Overall, 2022 proved itself to be a challenging year for FairWind, where a mixture between the COVID-19 aftereffects combined with the war in Ukraine have challenged us. Though, it has been satisfactory to see that our flexible business model once again stood its test and proved that it not only provides benefits and solutions for growing the business, but also provides the ability to navigate and adapt to challenging markets and unforeseen issues.

Human Resources

The primary service of the group is to deliver full-scale project management and execution using qualified and competent wind turbine technicians.

It is thus considered essential for continued growth to be able to attract, retain and develop qualified employees in relevant markets where the group operates. FairWind considers this to be a general challenge in a rapidly growing industry.

The Group has operated it’s own training academy in Poland for a number of years to further develop and upskill existing and new colleagues in the wind industry. During 2022 we welcomed competent and experienced employees, who have strengthened the Group’s knowledge and competences, contributing to the Group’s increased activities.

Research and development activities

FairWind A/S has no significant research and development activities.

Expected developments

Revenue for the company is depending on which projects are won during the year, and this is not yet known. FairWind A/S is the parent company of all project entities in the group and investment in subsidiaries is measured on the equity method, and therefore the groups revenue will be included in FairWind A/S through revenue in FairWind A/S or through income from subsidiaries.

Management expect 2023 for the group to be a similar year as 2022 in terms of the group revenue in the level of 1b DKK with slightly improved margins in the range of 5-8%.

The guidance for 2023 including EBITDA margin is reflecting the current market situation and still impacted by the geopolitical situation.

Financial risks and the use of financial instruments

General risks

FairWind A/S is not exposed to specific risks which are not common for the type of business activities performed by the group except for currency risks mentioned below. However, it is expected that the geopolitical situation combined with high inflation will impact on the profit. Even though an effort to mitigate has been initiated over 2022, we still have ongoing activities based on historical frame agreements with customers.

Currency risks

FairWind A/S has activities in a variety of countries around the world. Some Countries have volatile currencies, which expose FairWind to currency risks due to increase or decrease in local currencies compared to DKK. FairWind A/S attempts to minimize the risk by creating natural hedges between the currency of the revenue and the currencies of the underlying cost. In general the currency development has been unfavorable in 2023, which has resulted in negative exchange adjustment of equity in the amount of DKK 5.248 thousand.

Interest rate risks

Fairwind A/S financing is based on bank borrowings (revolver) with a floating rate. The revolver is with a margin on top of the CIBOR for DKK (3 months) reference rate.

Liquidity Risks

FairWind A/S revolver is currently valid until 31. March 2026 and is considered sufficient for the activities in the group.

Corporate Social Responsibility (CSR)

This report showcases the FairWind Group’s commitment to Corporate Social Responsibility, as required by Section 99a of the Danish Financial Statements Act.

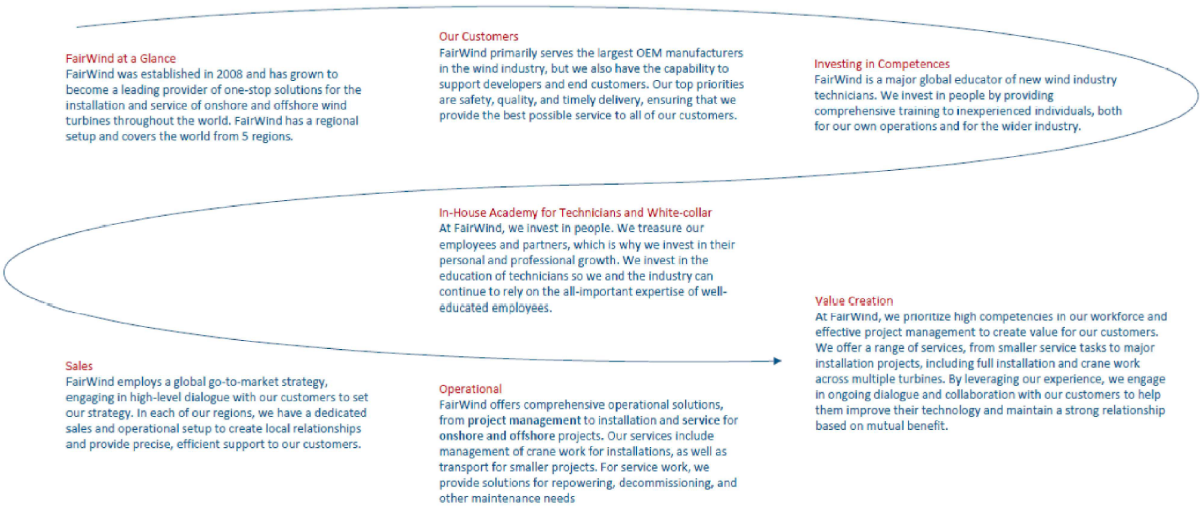
Energy is crucial to a well-functioning society characterized by progress and quality of life. At FairWind, we acknowledge that our operations play a vital part in the green transition. We are committed to transparency in our CSR reporting and to measuring and reporting on our progress regularly.

We believe that a sustainable energy sector is essential for a better future for all. Our CSR policy is a testament to our commitment to making a positive impact on society and the environment through our operations and business model.

The business model of FairWind focuses on providing supply and outsourcing opportunities for OEMs and other industry customers. We take on the responsibility of installing and delivering maintenance work to wind farms, reducing the customers’ risk, and eliminating the need for them to handle execution and major tasks, such as manpower planning, training, and project execution.

While crane and transport services may be included, this are not mandatory. FairWind also offers customers the chance to outsource regular and urgent service and maintenance tasks, which they can then capitalize on. By specializing in these solutions, FairWind creates a sustainable business model and capitalizes on installation optimization and economies of scale that extend beyond individual customers' capabilities.

FairWind Business Model



Sustainability Remains a Part of our DNA
Ever since FairWind started operations, CSR has been a priority and something that we wish to maintain and develop. We recognize our responsibility as an international Group with worldwide operations.
It is important for us to always consider the environment as well as the individuals and the communities in which we conduct activities. With our dedicated CSR policy, we have a defined set of ambitions that applies to all employees throughout the FairWind Group.

Through times of increased public focus on the environment and the changes that we have all witnessed, we stay committed to working on reducing our own environmental impact and making a difference.

Governance is of highest priority. At FairWind, we are committed to sustainability in our governance practices, ensuring adherence to globally recognized principles and standards. We conduct ourselves with integrity and responsibility, while ensuring ethical processes and fair compensation. We believe that these efforts not only benefit our own performance but also help us set the bar for future governance.
Integrating CSR (ESG) practices, particularly in the area of Governance, is a regular item on the Board of Directors meeting agenda, ensuring that management is consistently informed and up-to-date.

Results Through Dialogue and Communication
In our work to achieve results in cooperation with our partners and stakeholders, good and constructive communication throughout all projects phases is essential. Effective communication is a fundamental tool for successful management and is essential for the seamless operation of the Group.

It is through dialogue that we can work together to achieve results and fulfill our mission to become a leading turbine installation and service player in both onshore and offshore with strategic regional strongholds, based on our commitment to the green transition.

We promote collaboration among all stakeholders in our operations and the broader value chain to arrive at comprehensive solutions, not just for FairWind, but for the entire supply chain. This necessitates close cooperation and a thorough understanding of our projects.
To obtain this level of understanding, we have established a clear Code of Conduct for our suppliers, ensuring a uniform process for every project.

The FairWind Group Focuses on Sustainability
In accordance with FairWind’s Vision & Mission, our goal is to advance the market for the installation and maintenance of renewable energy devices and identify innovative ways to lower the cost of clean energy production.

Considering that energy production is the leading contributor to CO_2 emissions worldwide, which is one of the primary causes of global warming, FairWind is indirectly working towards mitigating Climate Action. Our company has played a key role in bringing clean energy to millions of households through our technical installation of over 20 GW of renewable energy from 2016-2022, helping to secure a more sustainable future.

Additionally, FairWind practices cross-border operations, which not only helps to keep project costs low and promote the use of renewable energy but also boosts economic growth in less-wealthy countries by employing technicians from these regions. The technicians are trained by FairWind and their salaries contribute to local economies, thereby promoting decent work and economic growth.

In conclusion, FairWind prioritizes the attainment of three out of the 17 United Nations' Global Sustainable Development Goals: goal 7 for Affordable and Clean Energy, goal 13 for Climate Action, and goal 8 for promoting local economic growth through decent work opportunities.

Through our main operation of installing wind turbines, this year (2022) we can proudly share that we have been involved in the installation of 3.5 GW and ~425,000 service hours and hence is one of the key players working towards green transformation.

Our goals for the upcoming years are to continuously expand our installed capacity of GW and maintain or increase our global presence, while reducing our CO2 emissions relative to our working hours by 2025. As a global player, it is important for FairWind to comply with standards such as the United Nations' 10 principles for the Global Compact throughout this growth process. To highlight the effort that we already make and demonstrate our commitment, we have decided to renew our membership of the UN Global Compact in 2023.

FairWind governs its contracts with suppliers and subcontractors through company guidelines to guarantee quality and standards in the supply chain. FairWind requires its subcontractors to abide by relevant national collective agreements, and non-compliance is considered a breach of contract. FairWind upholds human rights and takes measures to prevent any contribution to their violation, supports the rights of assembly and collective bargaining, and works towards ending forced labor, child labor, discrimination, and corruption. In turn, FairWind also prioritizes environmental responsibility by promoting a precautionary approach, promoting environmental technology, and opposing corruption.

Board of Directors

The board of directors of FairWind ensures that the executive management complies with the objectives, strategies, and business processes decided by the board of directors. Moreover, the board of directors ensures on an ongoing basis that the governance structure and control systems are appropriate and working well.

The board of directors consists of six members. The principal shareholder Triton Partners has appointed Per Olof Martin Frankling, Niels Henrik Tholander, and Karin Ingrid Amanda Möllborg. The remaining three members of the board of directors are independent.

The board of directors meets on a predetermined schedule of meetings at least six times a year. Usually there is an annual strategy workshop in connection with an ordinary board meeting. The workshop defines the objectives and strategy of FairWind.

The chairman and two selected board members meet with the CEO and CFO and other selected key employees of the company on a biweekly basis.

FairWind's Board of Directors hold other executive positions as described on the following page:

Mike Winkel, Chairman
Elected in September 2021
- Member of the Board of Directors at Obton Group Holding A/S
-Member of the Board of Directors at Rhea TopCo ApS
- Member of the Supervisory Board of DTEK Renewables International B.V.

Per Olof Martin Frankling, Board Member
Elected in September 2021
- Investment Professional at Triton Partners
- Member of the Board of Directors at GEIA FOOD A/S
- Member of the Board at Moove Group A/S
- Member of the Board of Directors at Habeo Group Oy
- Member of the Board of Directors at Unident AB
- Member of the Board of Directors at Norstat AS
- Member of the Board of Directors at Neptune Software AS
- Member of the Board of Directors at the Swedish Private Equity & Venture Capital Association
- CEO at FCP Bidco ApS

Niels Henrik Tholander, Board Member
Elected in September 2021
- Member of the Board of Directors at Unident AB and two subsidiaries
- Investment Professional at Triton Partners

Karin Ingrid Amanda Möllborg, Board Member
Elected in January 2023.
- Investment Professional at Triton Partners

Helene Anna Rasmusson Egebøl, Board Member
Elected in March 2022
- Member of the Board of Directors at Hoyer Group A/S
- Member of the Board of Directors at Greenfleet Holding A/S
- Vice chairman of the Board of Directors at Staten og Kommunernes Indkøbsservice A/S
- CEO at Helene Invest ApS

Wolfgang Müller, Board Member
Elected in March 2022.
- Senior Vice President at Hitachi, Ltd.

John Funch
John Funch became Chief Executive Officer of the FairWind Group in October 2016. Before his employment in the Company Mr. Funch has been with Jorton A/S as CEO, while he previously held various positions, including Vice President and regional CEO at MT Højgaard. Mr. Funch has a GPM in General Management from INSEAD's leadership program at Fontainbleu in France and a B.Sc. in Architectural Technology and Construction Management from Zealand Academy of Technologies and Business.

Financial Reporting and Control Environment
The board of directors and executive board set out general requirements for business processes and internal controls. A number of policies are defined by the executive board and approved by the board of directors. The overall operational responsibility for risk management and internal controls relating to financial reporting rests with the executive board. The Audit Committee appointed by the board of directors assesses at regular intervals the FairWind Groups overall organizational structure and organization and the staffing of the functions that are important to internal controls and risk management.

In collaboration with the local management of the individual subsidiaries, the executive board assesses whether the Group has an appropriate and effective control environment. The executive board reports regularly to the board of directors on the development of FairWind Group operations, the company's financial performance and risk position.

The FairWind Group central finance function is responsible for risk management and internal controls relating to financial reporting.
The Group finance function prepares Group accounting policies and instructions and ensures that the company has permanent procedures in place for the preparation of financial statements, including an assessment of new accounting regulation and the presentation of the financial reporting to FairWind Group stakeholders.

The board of directors and executive board receive monthly reports with detailed financial follow-up. All contracts with customers are reviewed on a monthly basis on project meetings by project managers and local management. Deviations to expectations on the contracts are reviewed and approved by the executive board.

Code of Conduct – Legislation

FairWind's Code of Conduct is a set of principles for ethical behavior. It defines what we in FairWind believe is a responsible ethical, social and environmental practice. As a global company, FairWind has employees from more than 20 different nationalities with different religious beliefs, cultures and political views. FairWind employees are subject to various local laws and regulations. Although the Code of Conduct is applicable and enforceable in any country where FairWind performs its activities, employees are also subject to the national laws and regulations in their respective countries of activity and to any laws in their own countries. FairWind will comply with the laws of every jurisdiction in which it operates. Where a local law sets higher standards than those set out in our Code of Conduct, local law takes precedence.

The inclusion of Human Rights and Anti-Corruption provisions in the FairWind Code of Conduct reflects FairWind's commitment to upholding ethical standards, promoting responsible business practices, and ensuring compliance with applicable laws and regulations. It underscores FairWind's dedication to respecting and protecting human rights, fostering a fair and inclusive work environment, and conducting business with integrity and transparency, free from corruption and unethical practices.
The Code of Conduct proposes a set of minimum standards. FairWind business units may set stricter standards, when these do not conflict with the Code of Conduct. The full version of FairWind's Code of Conduct is available online at http://fairwind.com.

Target & Results

The risk regarding human rights primarily relates to breach on human rights in the supply chain, in relation to suppliers operations in foreign countries.

The risk regarding anti-corruption for FairWind primarily relates to corruption and bribery in the value chain, in relation to suppliers operations in foreign countries. With zero breaches of the Code of Conduct in 2022, FairWind has delivered to our target.

Achieving the Target & Future Ambitions

FairWind has over the course of the last years strengthened our efforts on specific elements such as the Anti-Bribery and Corruption Policy as well as a Business Guideline & Rules training. Also, in the recent years all new office employees, technicians, subcontractors and suppliers have received the Code of Conduct as part of the onboarding process and FairWind has started tracking and documenting this process.

During 2021, FairWind launched a public and anonymous whistleblower platform on our company website extending the previous whistleblower process through ethics@fairwind.com.

The target for 2023 will remain 0 breaches of the Code of Conduct.

Safety Culture

Target & Results

In FairWind, safety is non-negotiable as every employee has the right to feel safe. While our Safety culture is driven by the FairWind HSE department, we are also in close dialogue with customers to understand and be compliant with their demands. However, FairWind always strives to exceed these as safety must be embedded in daily activities. For 2022 key measures were defined:

For 2022 FairWind had a target of 0 fatal accidents.

For 2022 FairWind had a target for Lost time injury frequency at max 3.2 measured per 1,000,000 hours.

For 2022 FairWind had a target for Total injury frequency at max 6.0 measured per 1,000,000 hours.

Sadly, we experienced a fatality case in January 2022 where a technician tragically lost his life during operations at a project site in Austria. An investigation to map the incident was conducted and although FairWind was deemed not at fault, it was a heart-breaking event throughout our organization that affected all of us.

At FairWind, safety has always been regarded as a top priority, which involves dedicated training of personnel in accident prevention, accident response and emergency preparedness. Only through measures like these can we set up the best possible conditions for our technicians.

During 2022, FairWind counted 3 work related incidents which resulted in a Lost Time Injury frequency of 3.1 and within the target of 3.5.

Comparing to 2021 where FairWind had 3 Lost time case, we are consistent thus performance remains at last year's level, but a level which is better than industry benchmarks.

Achieving the Target & Future Ambitions

Our most significant risk for social and employee related matters relate to work-related accidents.

Our Quality, HSE and HR departments have continued to measure the number of work-related incidents and report these at all management meetings as part of the FairWind company dashboard.

This to ensure that the management pay attention to the targets, actuals, and ambitions.

As FairWind year-on-year has the ambitions of improving, a HSE action plan has been developed and launched. Key part of the continuous improvement is implementing a digital IT reporting tool to increase the transparency over the safety concerns. Every FairWind technician will have an access with possibility to report, and react in the right time before an issue escalates to become an incident. The process is a part of behavioral change program. On top, as proactive measurements FairWind also launched several Safety Campaigns during 2022 such as:

- Slip, trip and fall - brush-up
- HSE Hero 2022
- Defensive Driving
- Stop Work
- Behavioral Safety Program
- LOTO: Lock out - Tag out
- Safety Stand Down Accidents
- Internal Safety Alerts
- You Can Stop the Drop
- FairWind Working in Hot Temperatures
- FairWind Eco Challenge Menu

In the onboarding procedure it is stated that all new employments receive all internal policies and safety procedures, and the company’s department monitors that all policies and regulations are up to date and being followed. Also, supported by the HSE organization, FairWind carries out mandatory workplace evaluations and is continuously working to improve any matters that does not live up to the requirements.
In 2022 our HSE department also intensified the measuring of leading indicators to be proactive on improving and this has provided us with data to set new and more ambitious targets for 2023.

The health & safety targets are:

- Fatal accidents at 0
- Lost Time Injury Frequency below 3.1 measured per 1,000,000 hours (as per client comparison)
- Total recordable Injury Frequency below 6 measured per 1,000,000 hours
- Minimum 1 health & safety campaign per quarter
- Minimum 4 safety walks per Manager in average
- Internal HSE awareness training for site management (min. 30%)
- BLS/AED training for office staff (min. 10%)
- Health and Safety penalties from authorities for major noncompliance = 0

Environment and Climate

Target & Results

The environment and climate are high priorities in the FairWind Group. The overarching aim in these matters is that FairWind is perceived by our customers, employees, suppliers and authorities as a conscious company.

FairWind is certified according to ISO 14001 and the climate priority is also an embedded part of the FairWind vision to: “become a leading turbine installation and service player in both onshore and offshore with strategic regional strongholds based on our commitment to green transformation on earth”.
We have not been issued any enforcement notices from environmental authorities in 2022 and our own self-regulation has not revealed any violations of environmental law either.

Our target for 2022 was to continue our low environmental impact measured through the KPI "environmental frequency rate," (occurrences per 100.000 project site hours) where the target was set at 0.7. The result for 2022 is considered satisfactory as FairWind has managed to continue the trend of reducing the "environmental frequency rate" now to 0.5 per 100,000 project site hours (2020 = 0.4, 2021 = 0.3).

All 11 environmental events recorded in 2022 were related to minor chemical spillage: diesel or hydraulic oils – strictly connected to our activities, and mainly from cars/generators at project sites. All events are considered minor and none of the events will have larger environmental implication.

Achieving the Target & Future Ambitions
FairWind as its core business in itself contributes to several UN Sustainability goals including Clean Energy and Climate action. Our work itself includes very limited risk in relation to environment and climate, but still FairWind secures the company's environmental arrangements through detailed internal control systems such as:

- Checking waste & chemical management on site
- Determining environmental aspects and impacts
- Including clear rules and environmental policies in an EHS Plan issued for each project for each project
- Including control measures related to environmental aspects in risk assessments issued
- Carrying out audits on site (where waste and chemical management are the crucial points for checking)
- Monitoring environmental indicators (EFR) from sites
- Carrying out internal audits (especially in warehouse where environmental aspects are visible and can influence on employees directly)
- Developing environmental campaigns among employees
- Promoting pro-environmental behaviors.

Also, in relation to the external environment, FairWind has always adjusted working processes locally to comply with any relevant environmental legislation. The 2023 goals for the environmental area are:

- Environmental penalties from authorities = 0
- Environmental Frequency Rate <= 0.7
- Minimum 1 environmental campaign per year
- CO2 emission from flight per hour < 0.46 kg/project hour.
- Control energy consumptions for the offices with aim of its reduction within the next 3 years.

Finally, FairWind also has targets for 2023 through a shared commitment with one of the OEMs in the industry on reducing our global environmental footprint in the Supply Chain. This includes:
- FairWind commits to 100% electricity consumption from renewable energy sources latest by 2030
- FairWind commits to a 50% reduction in waste from products delivered to the OEM latest by 2030.

The health & safety targets are:

- Fatal accidents at 0
- Lost Time Injury Frequency below 3.1 measured per 1,000,000 hours (as per client comparison)
- Total recordable Injury Frequency below 6 measured per 1,000,000 hours
- Minimum 1 health & safety campaign per quarter
- Minimum 3 safety walks per Manager in average
- Internal HSE awareness training for site management (min. 30%).

Diversity and Gender Distribution

Target & Results

This report highlights the gender composition of the organization, as mandated by section 99b of the Danish Financial Statements Act.

The aim of this report is to bring attention to the gender that is currently underrepresented, which is female based on the current distribution within the company.

Diversity and Inclusion

At FairWind, we embrace diversity in all its forms, including but not limited to gender, age, culture, ethnicity, political and religious beliefs, and sexual orientation. Our goal is to create a culture where every individual feels valued and confident that their unique perspectives and ideas are heard. We aspire to empower our employees to reach their full potential.

The wind industry is primarily male-dominated, which means that female applicants for positions at FairWind often are limited. Hiring employees for FairWind is based solely on the right competences and experiences - and not on gender.

FairWind is committed to achieving a gender balance on its board of directors, with a goal of having at least 15% of board members be women by 2024. By the end of 2022, the split was 33% women and 67% men, meaning that we achieved our target as of year-end 2022. We will continue with the same target for 2023.

In addition, FairWind Group has set a target to increase the number of female managers and mid-level managers on a yearly basis. It is important for FairWind to work actively with diversity to promote gender equality. Through our Code of Conduct, we create a clear link to this agenda and ensure that no gender discrimination is taking place in any management level of the organization. As of December 31, 2022, the number of female managers has risen to 26 from 24 in 2021, accounting for 25% of the total Group. FairWind politics is to encourage all genders to apply for jobs with us in our job advertisements. This applies to employment from both internal and external sources. FairWind will continue to focus on hiring employees from the underrepresented gender in order to equalize the gender distribution.

As of December 31, 2022, the representation of women among FairWind Group's office employees was 44%. For 2023, we will actively implement further actions that aim at improving the gender equality and opportunities for any gender within the organization.

Quality culture

Target & Results

FairWind's quality strategy is focused on two main aspects; customer satisfaction as well as the skills and competences of our employees.

For 2022 FairWind's quality measures were primarily related to snagging on delivered towers and the targets were:

- Less than 6 snags for Onshore turbines in total - with differentiated client targets between 5 and 10
- Less than 5 snags for Offshore preassembly.

In 2022, FairWind delivered on the good side of ambitions for snagging with an Onshore average result of 5.0, which is at same levels compared to the result of 4,9 for 2021.

For Offshore the final total was 3,7 comfortable on the good side of the target, 2021 was 0,2 but also measured on a low volume.

After having formalized our customer satisfaction and loyalty survey back in 2018, FairWind has continued this practice into 2022. For 2022, FairWind received a satisfaction score of 4.04 (2020 = 4.02, 2021 = 4.23) and a loyalty score of 4.07 (2020 = 4.25, 2021 = 4.43).

Achieving the Target & Future Ambitions

In 2022, FairWind further formalized our approach to quality management by:

- Full implementation of a QHSE digital app-based tool including reporting module
- Action plans from customer satisfaction process
- Formalizing our risk assessment process, running minimum once a year, and in 2022 in total 19 assessment were conducted and 266 risks identified
- Initiated the development of customer complaint processes (NCR's)
- Improved process for: Lessons Learned process, snagging reporting process, Competence development & evaluation process, Project documentation process
- Took part in 3 customer audits; ISO9001, ISO14001, and ISO45001 re-certification audit; SCC certification (acc. To SHE Checklist Contractors (SCC) 2017/6.0) for FairWind Holland B.V.
- Conducting 20 internal audits.

Also, snagging levels in 2022 have been reported and communicated on leadership as well as board meetings, ensuring the constant monitoring of performance. On top of this, NCR's have been an often discussed topic at our weekly operational meetings, and learning and action plans from the customer satisfaction survey have been an agenda point on several leadership meetings.

Continuing the improvement process, FairWind has set targets for
new measures going into 2023. These are:

- Average number of snagging below 5, 6 and 10 respectively for the Onshore OEMs, but with total Onshore average of 6 and 5 for Offshore
- Customer satisfaction scores at 4.1 or above
- Minimum 2 supplier audits (CTQs) carried out
- Develop minimum 12 Improvement Program Reports.

Charity & Social Events

FairWind also contributes to society through charity and in 2022 one of the key mentions is: A recurring charity and social event for FairWind is a ‘day of fun’ with gifts to a local Orphan home (Poland, near Stettin), something FairWind has supported for more than a decade, which was also the case 2022.

Closing Statement

The CSR policy of the FairWind Group is not only forward-thinking and long-term, but also serves as a guiding principle for the daily operations of FairWind’s managers, employees, subcontractors, and suppliers.

We are confident that our efforts in 2022 will display positive results and progress. We will continue to evolve and expand our CSR policy as new and relevant areas come to light. We recognize that as our environment, supply chain, and society change, our policy must adapt to meet these changes.

Report on the company’s policy on data ethics according to section 99 d of the Danish Financial Statements Act

The policy on Data Ethics is reviewed annually and compliant with section 99d of the Danish Financial Statements Act.

Data plays an increasingly important role for FairWind in monitoring, delivering and improving our services for customers, employees and other stakeholders. As data is an important asset, we treat it as such.

Data is handled in compliance with all applicable laws and regulations and in accordance with FairWind’s internal standards and policies.
We continuously monitor and ensure that data is handled in a transparent manner with due respect for our customers, business partners, and employees.

FairWind’s handling of data is always defined and made available as part of our Privacy Policy, available on our website www.fairwind.com.

Event after the Balance Sheet Date
Subsequent to the balance sheet date FairWind has from one of its customers received a warranty claim regarding works finalized in 2019 to 2021. It is the assessment of the management of FairWind, that the claim is unquantified and unsubstantiated and FairWind is not to be held liable. Further the warranty claim is considered covered by insurance, should it potentially materialize, hence no provision have been made. No other events that could significantly affect the financial statement as of 31 December 2022 have occurred.

The Group has in Q1 2023 achieved 245 m.dkk revenue and an adjusted EBITDA of 11 m.dkk, the group finds this at an satisfactory level.

Selected contract wins after the year ended:
- 380 MW Pjelax-Böle-Kristinestad Norr Wind Farm in Finland for Nordex.
- One of the installation partners for 443 MW Viking Wind Farm in the Shetland Islands for Vestas.
- Pre-assembly partner for 344 MW Vesterhav Offshore Wind Farm in Denmark for Siemens Gamesa Renewable Energy.
- 99 MW Skallberget/Utterberget and Tjärnäs Wind Farm in Sweden for Siemens Gamesa Renewable Energy.

The annual report for FairWind A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (large enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

No consolidated financial statements have been prepared pursuant to section 112 (1) of the Danish Financial Statements Act. The financial statements of FairWind A/S and its group enterprises are included in the consolidated financial statements for Force Bidco A/S, Denmark, CVR nr. 42424757.

Pursuant to section 86 (4) of the Danish Financial Statements Act, no statement of cash flows for the enterprise has been prepared, as the relevant information is included in the consolidated financial statements of Force Bidco A/S.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

Derivatives

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement along with changes in the fair value of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of future assets or liabilities are recognised as separate items in the balance sheet and in the hedging reserve under equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

Income statement

Revenue

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 construction contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work 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 a construction contract 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 comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Cost of sales

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

Other operating income

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 salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual entities are recognised in the income statement as a proportional share of the entities' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	2-10 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

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".

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Investments in group enterprises

Investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Investments in group enterprises with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

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

Receivables are measured at amortised cost, which usually corresponds to nominal value.

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

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable is used as discount rate.

Other receivables consists of VAT etc.

Contract work in progress

Service supplies and contract work in progress for third parties are 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 an assessment of the stage of completion for each wind turbines 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

Prepaymentsrecognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Segmental statement

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.

Income statement 1 January - 31 December

DKK thousand.

Note		2022	2021
2	Revenue	478.797	522.032
	Other operating income	366	9.783
	Costs of raw materials and consumables	-355.844	-322.182
	Other external expenses	-68.392	-65.235
	Gross profit	**54.927**	**144.398**
4	Staff costs	-65.825	-120.373
	Depreciation and writedown relating to fixed assets	-1.754	-991
	Profit/loss before net financials	**-12.652**	**23.034**
	Income from investments in subsidiaries	28.123	31.638
	Other financial income from subsidiaries	407	173
	Other financial income	6.260	36
5	Other financial expenses	-35.881	-10.448
	Pre-tax net profit or loss	**-13.743**	**44.433**
6	Tax on net profit or loss for the year	6.717	-2.491
7	**Net profit or loss for the year**	**-7.026**	**41.942**

Balance sheet at 31 December

DKK thousand.

Note	Assets	2022	2021
	Non-current assets		
8	Other fixtures, fittings, tools and equipment	2.299	1.011
	Total property, plant, and equipment	2.299	1.011
9	Investments in subsidiaries	136.856	150.001
10	Deposits, investmests	262	229
	Total investments	137.118	150.230
	Total non-current assets	**139.417**	**151.241**
	Current assets		
	Manufactured goods and trade goods	750	848
	Total inventories	750	848
	Trade receivables	107.975	70.691
11	Contract work in progress	94.639	74.319
	Receivables from group enterprises	123.610	101.458
12	Deferred tax assets	22.014	12.708
	Other receivables	4.854	3.362
13	Prepayments	17.770	9.942
	Total receivables	370.862	272.480
	Cash and cash equivalents	7.366	6.331
	Total current assets	**378.978**	**279.659**
	Total assets	**518.395**	**430.900**

Balance sheet at 31 December

DKK thousand.

Note	Equity and liabilities	2022	2021
	Equity		
14	Contributed capital	785	785
	Reserves for net revaluation as per the equity method	99.878	113.023
	Net revaluation reserve according to the equity method	18.226	16.701
	Total equity	**118.889**	**130.509**
	Liabilities other than provisions		
15	Payables to group enterprises	76.758	97.512
	Total long term liabilities other than provisions	76.758	97.512
	Bank debts	126.526	23.666
11	Contract work in progress	1.873	0
	Trade creditors	72.629	60.757
	Payables to subsidiaries	107.962	95.793
	Corporate tax	2.823	4.231
	Other debts	10.935	18.432
	Total short term liabilities other than provisions	322.748	202.879
	Total liabilities other than provisions	**399.506**	**300.391**
	Total equity and liabilities	**518.395**	**430.900**

1 Subsequent events

3 Fees for auditor

16 Charges and security

17 Contingencies

18 Related parties

Statement of changes in equity

DKK thousand.

	Contributed capital	Reserve for net revalua-tion according to the eq-uity method	Retained earnings	Total
Equity 1 January 2021	785	89.564	2.394	92.743
Share of results	0	27.728	14.307	42.035
Exchange rate adjustments	0	-4.269	0	-4.269
Equity 1 January 2022	785	113.023	16.701	130.509
Share of results	0	28.123	-34.495	-6.372
Exchange rate adjustments	0	-368	-4.880	-5.248
Distributed dividend	0	-40.900	40.900	0
	785	**99.878**	**18.226**	**118.889**

Notes

DKK thousand.

1. Subsequent events

Subsequent to the balance sheet date FairWind has from one of its customers received a warranty claim regarding works finalized in 2019 to 2021. It is the assessment of the management of FairWind, that the claim is unquantified and unsubstantiated and FairWind is not to be held liable. Further the warranty claim is considered covered by insurance, should it potentially materialize, hence no provision have been made. No other events that could significantly affect the financial statement as of 31 December 2022 have occurred.

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Selected contract wins after the year ended:
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- 99 MW Skallberget/Utterberget and Tjärnäs Wind Farm in Sweden for Siemens Gamesa Renewable Energy.

2. Revenue

Segmental statement

	Installation	Service	Total
Activities – primary segment:	411.460	67.337	478.797

	Europe	Scandinavia	Rest of world	Total
Geographical – secondary segment:	166.668	246.447	65.682	478.797

3. Fees for auditor

Audit fees are not disclosed with reference to section 96(3) of the Danish Financial Statements Act, as audit fees are disclosed for the group as such in the consolidated financial statements for Force Bidco A/S.

DKK thousand.

		2022	2021
4.	**Staff costs**		
	Salaries and wages	60.125	104.880
	Pension costs	5.047	4.943
	Other costs for social security	653	10.550
		65.825	**120.373**
	Average number of employees	124	238

Executive Board and Board of Directors
Remuneration of the executive board and board of directors in the Group and in the parent company amounts for 2022 to DKK 3.475 thousand and for 2021 DKK 912 thousand.

Executive management only consists of one member and the remuneration of the executive management and the board og directors is disclosed collectively with reference to §98b (3) of the Danish Financial Statements Act.

Incentive Programs
Incentive plans comprise a short-term incentive plan based on yearly performance. The bonus amount was in 2022 DKKm 0,2 and in 2021 DKKm 0,4.

		2022	2021
5.	**Other financial expenses**		
	Financial costs, group enterprises	7.961	1.533
	Other financial costs	27.920	8.915
		35.881	**10.448**
6.	**Tax on net profit or loss for the year**		
	Tax of the results for the year	2.589	4.231
	Adjustment for the year of deferred tax	-9.306	-1.507
	Adjustment of tax for previous years	0	-233
		-6.717	**2.491**

DKK thousand.

		2022	2021
7.	**Proposed distribution of net profit**		
	Reserves for net revaluation according to the equity method	28.123	27.634
	Transferred to retained earnings	0	14.308
	Allocated from retained earnings	-35.149	0
	Total allocations and transfers	**-7.026**	**41.942**

		2022	2021
8.	**Other fixtures, fittings, tools and equipment**		
	Cost 1 January 2022	11.946	84.854
	Additions during the year	3.562	1.366
	Disposals during the year	-1.100	-74.274
	Cost 31 December 2022	**14.408**	**11.946**
	Depreciation and write-down 1 January 2022	-10.935	-68.333
	Depreciation for the year	-1.754	-991
	Depreciation, amortisation and writedown for the year, assets disposed of	580	58.389
	Depreciation and write-down 31 December 2022	**-12.109**	**-10.935**
	Carrying amount, 31 December 2022	**2.299**	**1.011**

Notes

DKK thousand.

		31/12 2022	31/12 2021
9.	**Investments in subsidiaries**		
	Acquisition sum, opening balance 1 January 2022	36.978	36.300
	Additions during the year	0	678
	Cost 31 December 2022	**36.978**	**36.978**
	Revaluations, opening balance 1 January 2022	113.023	89.564
	Results for the year	29.795	33.310
	Depreciation on goodwill	-1.672	-1.672
	Dividend	-40.900	-3.910
	Exchange rate adjustments	-368	-4.269
	Revaluation 31 December 2022	**99.878**	**113.023**
	Carrying amount, 31 December 2022	**136.856**	**150.001**

Subsidiaries:

	Domicile	**Equity interest**
FairWind Offshore A/S	Denmark	100 %
FairWind Ukraine ApS	Denmark	100 %
VestWind A/S	Denmark	100 %
FairWind GmbH	Germany	100 %
FairWind Installation Ltd.	United Kingdom	100 %
FairWind Installation Ltd.	South Africa	100 %
FairWind Sp. Z.o.o	Poland	100 %
Wind Service Sweden AB	Sweden	100 %
Swedish Wind Service AB	Sweden	100 %
FairWind Rüzgar Enerji Hizmetteri Anonim Sikerti	Turkey	100 %
Geos Construction LLC	Ukraine	100 %
FairWind Ukraine LLC	Ukraine	100 %
FairWind Poland sp. Z.o.o	Poland	100 %
FairWind Inc.	United States	100 %
FairWind Canada Inc.	Canada	100 %
FairWind Findland Oy.	Findland	100 %
FairWind Holland B.V.	Holland	100 %
European Wind Academy sp. Z.o.o	Poland	100 %
FairWind RUS LLC	Russia	100 %
White Strit LLC	Kazakhstan	100 %
FairWind Installation SLU	Spain	100 %
FairWind Argentina S.A.U.	Argentina	100 %
FairWind AUS PRY Ltd.	Australia	100 %

DKK thousand.

		31/12 2022	31/12 2021
	FairWind Logistics sp. Z.o.o	Poland	100 %
	FairWind Chile SPA	Chile	100 %
	Aggerholm Electrical Services ApS (liquidated)	Denmark	100 %
	FairWind Installation Morocco Sarl	Morocco	100 %

Here of the carrying amount of goodwill amounts to t.DKK 13.286.

		31/12 2022	31/12 2021
10.	**Deposits, investmests**		
	Cost 1 January 2022	229	237
	Additions during the year	60	0
	Disposals during the year	-27	-8
	Cost 31 December 2022	**262**	**229**
	Carrying amount, 31 December 2022	**262**	**229**
11.	**Contract work in progress**		
	Sales value of the production of the period	576.767	476.621
	Progress billings	-484.001	-402.302
	Contract work in progress, net	**92.766**	**74.319**
	The following is recognised:		
	Work in progress for the account of others (current assets)	94.639	74.319
	Work in progress for the account of others (short-term liabilities)	-1.873	0
		92.766	**74.319**
12.	**Deferred tax assets**		
	Deferred tax assets 1 January 2022	12.708	12.957
	Deferred tax of the results for the year	9.306	1.507
	Changes in allocation af tax foreign branches	0	2.579
	Other deferred tax	0	-4.335
		22.014	**12.708**

DKK thousand.

		31/12 2022	31/12 2021
13.	**Prepayments**		
	Other prepayments	17.770	9.942
		17.770	**9.942**
14.	**Contributed capital**		
	Contributed capital 1 January 2022	785	785
		785	**785**

7,850 shares of DKK 100.00 nominal value each.

		31/12 2022	31/12 2021
15.	**Payables to group enterprises**		
	Total payables to group enterprises	**76.758**	**97.512**
	Share of liabilities due after 5 years	0	0

16. Charges and security

Trade receivables and work in progress for third parties with a carrying amount of DKK 200,741 thousand have been provided as collateral for bank loans and overdrafts amounting to DKK 126,525 thousand at 31 December 2022.

17. Contingencies

Contingent liabilities

Operating lease obligations

The Company has entered into operating leasing agreements with a combined lease payment of DKK 5,477 thousand. The remaining term of the leases is 5 to 38 months.

The Company has provided the following guarantees for subsidiaries:
- Unlimited guarantee for FairWind Offshore A/S for bank loans from Jyske Bank
- Unlimited guarantee for FairWind Ukraine ApS for bank loans from Jyske Bank
- Work guarantees for subsidiaries work under frame agreements

Guarantee commitments:

The Company has issued work guarantees of DKK 15,525 thousand for services delivered.

DKK thousand.

17. Contingencies (continued)

Contingent liabilities (continued)

Contingent liabilities:

The Company is party to pending legal actions. In Management's opinion, the outcome of these legalactions will not affect the Company's financial position negatively, except for what is already reflected in the receivables and payables recognised in the balance sheet at 31 December 2022.

Joint taxation

With Force Holdco A/S, company reg. no 42434051 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company has withdrawn from the joint taxation with the former management company Apollo Group 1 A/S as of 28 September 2021 and is liable for any tax claims against the other jointly taxed companies until the time of withdrawal from the joint taxation.

18. Related parties

Controlling interest

Force Bidco A/S, Vejle, Denmark	Majority shareholder (direct owner)
Force Holdco A/S, Vejle, Denmark	Majority shareholder (indirect owner)
Triton V LuxCo 43 SARL, Luxembourg, Luxembourg	Majority shareholder (indirect owner)

The immediate parent company is Force Bidco A/S, the ultimate parent company is TFF (TSM II) Limited.

Transactions

The company has the following related party transactions:

	2022	2021
Payables to parrent company	-103.606	-97.645
Payables to parent company, interest	-6.094	-1.533

DKK thousand.

Consolidated financial statements

The company is included in the consolidated financial statements of Company Force Bidco A/S, CVR-nr. 42424757, Vejle, Denmark.