

C-bed I ApS

Strevelinsvej 34
7000 Fredericia
CVR No. 33058578

Annual report 2019

The Annual General Meeting adopted the
annual report on 05.06.2020

Rasmus Ravnholdt Knudsen
Chairman of the General Meeting

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Entity details

Entity

C-bed I ApS

Strevelinsvej 34

7000 Fredericia

CVR No.: 33058578

Registered office: Fredericia

Financial year: 01.01.2019 - 31.12.2019

Executive Board

Anders Østergaard

Svend Stenberg Mølholt

Rasmus Ravnholdt Knudsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of C-bed I ApS for the financial year 01.01.2019 - 31.12.2019.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Fredericia, 05.06.2020

Executive Board

Anders Østergaard

Svend Stenberg Mølholt

Rasmus Ravnholdt Knudsen

Independent auditor's report

To the shareholder of C-bed I ApS

Opinion

We have audited the financial statements of C-bed I ApS for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the management commentary

Management is responsible for the management commentary.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 05.06.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Kåre Kansonen Valtersdorf

State Authorised Public Accountant
Identification No (MNE) mne34490

Management commentary

Primary activities

The main activity of the Company is to own and chartering of Service Operation Vessel to the offshore wind industry.

Description of material changes in activities and finances

The result for the year shows a deficit at DKK 33,313,992 against a deficit at DKK 28,338 last year. The result for the year is affected by impairment of the vessel of DKK 46,000,000. The result excluded the impairment of the vessel for the year is satisfactory.

During the financial year the company acquired the vessel Wind Innovation from another group company and the offshore wind operations continued in this company.

The company is expected to remain a market leader within the offshore wind service industry and continue to experience a strong chartering demand. Consequently, the offshore wind activity expects a positive year at the level experienced in 2019 excluded the impairment of the vessel.

Uncertainty relating to recognition and measurement

The Vessel has been assessed for impairment based on identified impairment indicators. The impairment test is based primarily on Management's assumptions of future cash flow and discount rate and is therefore subject to an inherent uncertainty.

Events after the balance sheet date

Management follows the development of the current Covid-19 health situation closely and the impact on our business and employees.

We are following governmental guidelines throughout the world and adjusting our daily work and routines accordingly.

We have not experienced any material impact on our business or financial performance, however, Management acknowledges increased uncertainty related to global trade volumes and supplies, which may affect our activity level as the health situation develops. Furthermore, we have not seen any negative development in our customers' ability to pay or changes to our financing.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		43,841,818	(31,081)
Staff costs	1	(17,034,551)	0
Depreciation, amortisation and impairment losses		(60,240,509)	0
Operating profit/loss		(33,433,242)	(31,081)
Other financial income		551,305	43
Other financial expenses		(386,625)	(1,508)
Profit/loss before tax		(33,268,562)	(32,546)
Tax on profit/loss for the year	2	(45,430)	4,208
Profit/loss for the year		(33,313,992)	(28,338)
Proposed distribution of profit and loss			
Retained earnings		(33,313,992)	(28,338)
Proposed distribution of profit and loss		(33,313,992)	(28,338)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Ships		174,719,491	0
Property, plant and equipment	3	174,719,491	0
Fixed assets		174,719,491	0
Raw materials and consumables		94,634	0
Assets held for sale		58,134	0
Inventories		152,768	0
Trade receivables		1,162,615	0
Receivables from group enterprises		84,682,744	11,948
Other receivables		352,506	6,694
Income tax receivable		0	7,160
Prepayments		615,903	0
Receivables		86,813,768	25,802
Cash		64,971	10,437
Current assets		87,031,507	36,239
Assets		261,750,998	36,239

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		80,000	80,000
Retained earnings		19,784,400	(101,608)
Equity		19,864,400	(21,608)
Deferred tax		4,793	0
Provisions		4,793	0
Prepayments received from customers		4,831,731	0
Trade payables		1,406,828	2,503
Payables to group enterprises		235,343,701	55,344
Income tax payable		37,794	0
Other payables		261,751	0
Current liabilities other than provisions		241,881,805	57,847
Liabilities other than provisions		241,881,805	57,847
Equity and liabilities		261,750,998	36,239
Contingent liabilities	4		
Group relations	5		

Statement of changes in equity for 2019

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	80,000	(101,608)	(21,608)
Group contributions etc	0	53,200,000	53,200,000
Profit/loss for the year	0	(33,313,992)	(33,313,992)
Equity end of year	80,000	19,784,400	19,864,400

Notes

1 Staff costs

	2019 DKK	2018 DKK
Wages and salaries	15,598,054	0
Other social security costs	8,430	0
Other staff costs	1,428,067	0
	17,034,551	0
Average number of full-time employees	71	0

2 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	53,066	(7,160)
Adjustment concerning previous years	(7,636)	2,952
	45,430	(4,208)

3 Property, plant and equipment

	Ships DKK
Additions	234,960,000
Cost end of year	234,960,000
Impairment losses for the year	(46,000,000)
Depreciation for the year	(14,240,509)
Depreciation and impairment losses end of year	(60,240,509)
Carrying amount end of year	174,719,491

The ships residual value is estimated to DKK 8.616.064

4 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Endearvour Invest ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the entity is therefore liable for income taxes etc. for the jointly taxed entities, and obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. Corporate income tax payable for the Danish jointly taxed companies amounted to USD 0m at 31 December 2019 (2018: USD 0m).

5 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Monjasa Holding A/S, Fredericia

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Non-comparability

In the financial year the company acquired the vessel Wind Innovation from another group company and the offshore wind operations continued in this company. Due to the change in activity within the company the comparable figures are not comparable with the operations in 2019.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for

premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with the Danish Parent company. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Ships including docking and overhaul are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets. Depreciation of ships is normally estimated to a maximum of 30 years from the year of construction

Ships

16 years

Estimated useful lives and residual values are reassessed annually.

Ships including docking and overhaul are written down to the lower of recoverable amount and carrying amount.

Inventories

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

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less costs incurred to execute sale.

Assets held for sale

Assets held for sale are assets that are no longer in use and have been put up for sale. The assets are measured at the lower of carrying amount at the date of reclassification and net realisable value, and no amortisation or depreciation is made.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.