

# **BMS**

## **Heavy Cranes**

**Troldholm 8, 9400 Nørresundby**  
**CVR no. 33 49 96 39**

### **Annual Report 2022**

The Annual Report was presented and adopted at  
the Annual General Meeting of the Company

on 25 / 5 2023

Chairman of the general meeting

Jesper Lund Hedegaard

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## Statement by Management on the annual report

The Board of Directors and the Executive Board have today discussed and approved the annual report of BMS Heavy Cranes A/S for the financial year 1 January - 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of its operations for the financial year 1 January – 31 December 2022.

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

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

Nørresundby, May 25<sup>th</sup> 2023

### Executive Board

Jens Enggaard  
CEO

Morten Kammer

### Board of directors

Jørgen Enggaard  
Chairman

Tage Thesbjerg  
Vice chairman

Jens Enggaard

John Mikkelsen

## Independent auditor's report

### To the shareholders of BMS Heavy Cranes A/S

#### Opinion

We have audited the financial statements of BMS Heavy Cranes A/S for the financial year 1 January – 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, and notes, including accounting policies. 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 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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the 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.

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

As part of an audit conducted in accordance with ISAs and 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.

## Independent auditor's report

- ▶ 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 note 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 the Management's review

Management is responsible for the Management's review.

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

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

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

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

Aalborg, May 25<sup>th</sup> 2023

EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Allan Terp  
State Authorized Public Accountant  
mne33198

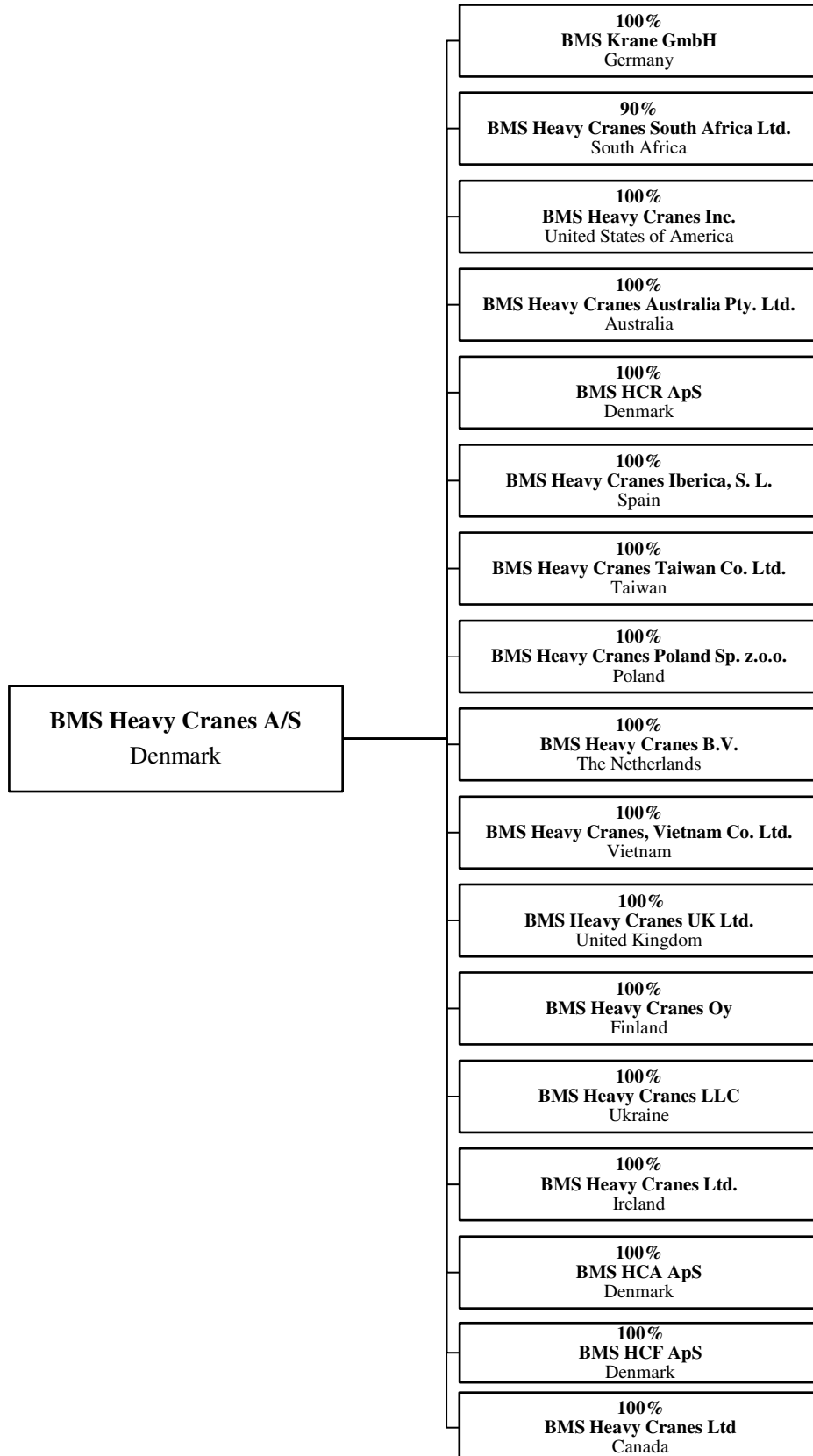
## Management's review

### Company Information

<b>Company</b>	BMS Heavy Cranes A/S Trolldholm 8 9400 Nørresundby Denmark
	CVR no.: 33 49 96 39
	Municipality of reg. office: Aalborg
	Formation of the Company: 16 February 2011
	Financial period: 1 January - 31 December
<b>Board of Directors</b>	Jørgen Enggaard (chairman) Tage Thesbjerg (vice chairman) Jens Enggaard John Mikkelsen
<b>Executive Board</b>	Jens Enggaard (CEO) Morten Kammer
<b>Auditor</b>	EY Godkendt Revisionspartnerselskab Vestre Havnepromenade 1A 9000 Aalborg

## Management's review

### Group chart



## Management's review

### Financial Highlights

In DKK millions	2022	2021	2020	2019	2018
<b>Key figures</b>					
Revenue	749,2	1.007,3	733,4	691,1	503,8
Gross profit/loss	29,3	121,1	137,5	67,6	60,2
Profit/loss from ordinary activities	-71,7	52,0	83,3	27,5	26,7
Profit/loss from net financials	-1,5	-1,8	-8,4	-5,2	-2,0
Profit/loss before tax	-1,4	113,6	126,3	30,1	18,1
Profit/loss for the year	13,7	101,3	109,2	24,7	12,5
<hr/>					
Non-current assets	183,2	132,6	327,3	266,3	218,9
Current assets	493,2	516,7	266,7	275,4	234,6
Total assets	676,4	649,3	594,0	541,7	453,5
Equity	333,9	318,9	263,2	154,0	129,0
Non-current liabilities	18,5	28,7	223,3	206,7	173,5
Current liabilities	324,0	301,8	107,5	181,0	151,0
<hr/>					
Portion relating to investments in items of property, plant and equipment	0	0	-66,7	-68,4	-55,5
<hr/>					
<b>Key figures in %:</b>					
Gross margin	3,9	12,0	18,7	9,8	12,0
Profit margin	-9,6	5,2	11,4	4,0	5,3
Current ratio	152,3	171,2	248,1	152,2	155,4
Return on assets	-10,8	8,4	14,7	5,5	6,2
Return on invested capital	-17,6	11,9	18,8	7,6	8,4
Cash conversion ratio	135,4	-215,7	96,2	542,9	239,1
Solvency ratio	49,4	49,1	44,3	28,4	28,4
Return on equity	4,2	34,8	52,4	17,5	10,2
<hr/>					
Average number of full-time employees	125	101	100	97	94

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

The Company has been a part of an intra-group business restructure with financial effect of 1<sup>st</sup> January 2021. The restructure consists of a partial demerger to a group company where property, plant and equipment, liabilities related hereto, and a limited number of employees has been demerged. The Company now lease the demerged assets from the group company. The comparative figures have not been restated in relation to the demerger, as the book value method is applied to business combinations (according to accounting policies).



## Management's review

### Principal activities of the Company

The Company's main activity is providing crane services and other related services.

### Unusual events

The Russian invasion of Ukraine in early 2022 has had a negative impact on the Company's activities and earnings in subsidiaries. Projects in Ukraine had to be put on hold in 2022 and was later cancelled, while the Russian activities were terminated due to ethical considerations and the imposed sanctions against Russia.

Beside the above mentioned, there are no other unusual events affecting the Company's financial position at 31 December 2022 and the results of the activities for the financial year for 2022.

### Development in the financial year

The income statement of the Company for 2022 shows a net profit of 13,7 m.DKK, and at 31 December 2022 the balance sheet shows equity of 334,4 m.DKK.

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

The result for the year is lower than last year's result, as activities in FY22 was negatively impacted by the Russian invasion of Ukraine in affected markets. In addition the high inflation rates and transport costs lead to a decrease in profit margin compared to FY 21.

In the annual report for 2021, the management expected to generate a profit at a lower level in 2022 with a net profit in the range 50,0 – 70,0 m.DKK. The lower result for FY22 is influenced by a larger anticipated impact from the Russian invasion of Ukraine on the company's activities and the consequences on inflation rates and transport cost levels.

### Expectations for the next year

For FY23 the management expects an increase in net profit compared to FY22. Expectations are based on the absence of negative effects as the case in 2022 and reduced or at a minimum stable transport rates.

Based on the current outlook the management expect a Net profit between 25,0 and 45,0 m.DKK.

### Intellectual capital

It is important for the Company's continued growth and development to be able to attract and retain highly educated and experienced employees, including fieldwork and administrative employees specialized in the crane service industry.

### Special risks - operating risks and financial risks etc.

#### *Operating risks*

The Company is exposed to risks related to its activities and financial position that are normal for the crane service industry. On an on-going basis Management take into consideration the risks that the Company faces due to its activities.

#### *Financial risks*

Due to the Company's activities, investments and financing it is exposed to changes in foreign exchange rates and changes in interest rates. The Company's policy is not to speculate in such changes nor make profit of hedging transactions based on speculations. The Company's financial management aims only to minimize the financial risks of activities, investments and financing.

## Management's review

### *Foreign exchange and interest risks*

A large part of the Company's trade and financing takes place in foreign currency. The Company does, when relevant, hedge this risk on an ongoing basis by entering offsetting agreements etc.

### **External environment**

The Company believes that it is in compliance with applicable laws and regulations at all times and strives to reduce the environmental impact of its activities.

### **Research and development**

No research and development activities were performed by or for the Company.

### **Subsequent events**

No events have occurred which materially affected the assessment of the annual report after the balance sheet date.

### **Corporate Social Responsibility**

The Company's financial statements are part of the group financial statements for Jens Enggaard Holding ApS, CVR: 19 58 51 71. In accordance with the Danish financial statement act section 99a, part 6, the Company refers to the Annual Report for 2022 for Jens Enggaard Holding ApS, CVR: 19 58 51 71 for detailed policies in relation to the corporate social responsibilities and follow-up on these.

### **Gender diversity in management**

The Company acknowledges the strength of diversity among its employees and is working on enhancing the number of female leaders. The Company has established a goal that 20% of the board of directors should be female at the end of 2023. At the end of 2022, no female was represented as board member of the Company.

The Danish Companies Act section 139 a, paragraph 2 requires that the Company implement a policy to favorably treat employees based on gender, in order to promote the underrepresented gender in the additional management levels. The Company does not employ, promote or dismiss employees based on their ethical origin, religion, political views, sexual orientation, age or gender but alone focus on the skill set of the individual. When employing and recruiting for management positions, the Company aims to have both male and female candidates despite the circumstance that the Company operates in an environment, which traditionally is male dominated. When considering two equally qualified candidates the desire for diversity will prevail. It is the Company's policy that the percentage of female employees is reflected at management level at the end of 2023 the latest. During the past year, a member left the Board of Directors without being replaced so far, which is why the target has not been achieved yet. There are 4 men and 0 women in the Board of Directors. At the end of 2022, females hold 20% of other managerial positions. Other managerial positions consist of the first organizational leadership below the Executive Board.

### **Data ethics**

The Company is aware that with the increased digitization comes greater responsibility. The responsibility in the data use follows the general personal data rules that the Company is subject to. The Company does not have a policy on data ethics, as the Company does not use algorithms for data analysis.

## Financial statements 1 January - 31 December

### Income statement

DKK'000	Note	<u>2022</u>	<u>2021</u>
<b>Revenue</b>	2	<b>749.180</b>	<b>1.007.283</b>
Production costs		<u>-719.900</u>	<u>-886.212</u>
<b>Gross profit</b>		<b>29.280</b>	<b>121.071</b>
Administrative expenses	3	<u>-100.985</u>	<u>-69.045</u>
<b>Profit/loss from ordinary activities</b>		<b>-71.705</b>	<b>52.026</b>
Share of net result after tax in subsidiaries	7	71.738	63.468
Financial income	4	4.436	2.247
Financial expenses	5	<u>-5.888</u>	<u>-4.094</u>
<b>Profit/loss before tax</b>		<b>-1.419</b>	<b>113.647</b>
Tax on profit/loss for the year	6	<u>15.129</u>	<u>-12.340</u>
<b>Net profit for the year</b>		<b><u>13.710</u></b>	<b><u>101.307</u></b>

## Financial statements 1 January - 31 December

### Balance sheet

#### Assets

DKK'000	Note	2022	2021
Equity investments in subsidiaries	7	179.717	128.589
Deferred tax asset	8	3.430	4.086
<b>Non-current assets</b>		<b>183.147</b>	<b>132.675</b>
Trade receivables		262.507	362.033
Receivables from group entities		182.033	141.727
Receivables from participating interests		13.084	11.748
Other receivables		16.891	690
Derivative financial instruments	9	3.875	0
Receivable income tax		14.729	0
Prepayments	10	120	0
<b>Receivables</b>		<b>493.239</b>	<b>516.198</b>
<b>Cash</b>		<b>0</b>	<b>472</b>
<b>Current assets</b>		<b>493.239</b>	<b>516.670</b>
<b>Total assets</b>		<b>676.386</b>	<b>649.345</b>

## Financial statements 1 January - 31 December

### Balance sheet

#### Liabilities and equity

DKK'000	Note	2022	2021
Share capital		12.500	12.500
Reserve of equity investments		137.162	85.058
Hedging reserve		3.022	0
Retained earnings		181.209	221.321
<b>Total equity</b>		<b>333.893</b>	<b>318.879</b>
Other provisions	11	15.592	17.545
Provision related to equity investments	7	2.950	4.015
Other payables	12	0	7.141
<b>Non-current liabilities</b>		<b>18.542</b>	<b>28.701</b>
Debt to credit institutions		110.404	42.424
Trade payables		95.996	81.995
Payables to group entities		55.373	123.415
Payables to participating interests		4.377	5.983
Income tax		0	13.370
Other payables	12	57.802	34.578
<b>Current liabilities</b>		<b>323.951</b>	<b>301.765</b>
<b>Liabilities</b>		<b>342.493</b>	<b>330.466</b>
<b>Total liabilities and equity</b>		<b>676.386</b>	<b>649.345</b>
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## Financial statements 1 January - 31 December

### Statement of changes in equity

Note	DKK'000	Share capital	Reserve of equity investments	Hedging reserve	Retained earnings	Total
		12.500	85.058	0	221.321	<b>318.879</b>
		0	0	3.875	0	<b>3.875</b>
		0	0	-853	0	<b>-853</b>
18		0	53.822	0	-40.112	<b>13.710</b>
		0	-1.718	0	0	<b>-1.718</b>
		<b>12.500</b>	<b>137.162</b>	<b>3.022</b>	<b>181.209</b>	<b>333.893</b>

The share capital comprises 12.500 class A shares of DKK 1.000 each.

The share capital has remained unchanged for the past five years.

# Financial statements 1 January - 31 December

## Notes

### 1 Accounting policies

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

The financial statements have been prepared in accordance with the same accounting policies as last year.

### Consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statements of BMS Heavy Cranes A/S' and its subsidiaries are included in the consolidated financial statements of Jens Enggaard Holding ApS, cvr. no. 1958 5174.

### Cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, the Company has not prepared cash flow statement. The Company's cash flow are included in the consolidated financial statements of Jens Enggaard Holding ApS, CVR. no 1958 5174.

### Presentation currency

The financial statements are presented in Danish Kroner (DKK'000).

### Foreign currency translation

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

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

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

Foreign exchange adjustments of balances with separate foreign subsidiaries which are considered part of the total investment in the subsidiary are taken directly to equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

On recognition of foreign subsidiaries which are integral entities, monetary items are translated at closing rates. Non-monetary items are translated at the exchange rates at the acquisition date or at the date of any subsequent revaluation or impairment of the asset. Income statement items are translated at the exchange rates at the transaction date, although items derived from non-monetary items are translated at the historical exchange rates applying to the non-monetary items.

# Financial statements 1 January - 31 December

## Notes

### 1 Accounting policies (continued)

#### Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost 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 and qualifying as hedging of the fair value of a recognised asset or liability are recognised in the income statement together with fair value adjustments 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.

Fair value adjustments of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement on an ongoing basis.

#### Income statement

##### Revenue

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

On the conclusion of sales contracts which consist of several, separate sales transactions, the contract price is split up into the individual sales transactions based on the relative fair value approach. The separate sales transactions are recognised as revenue when the criteria for sale of goods, services or construction contracts are met.

A contract is split up into individual transactions when the fair value of each individual sales transaction can be calculated reliably and when each individual sales transaction has a separate value for the purchaser. Sales transactions are deemed to have a separate value for the purchaser when the transaction is individually identifiable and is usually sold separately.

Income from the sale of services, which include service contracts and extended warranty commitments relating to products and services sold, is recognised on a straight-line basis as the services are rendered.

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



# Financial statements 1 January - 31 December

## Notes

### 1 Accounting policies (continued)

#### Production costs

Production costs comprise costs, including wages and salaries as well as rent and leases.

#### Administrative costs

Administrative expenses comprise costs incurred in the year to manage and administer the Company, including expenses related to administrative staff, management, office premises, office expenses and amortisation etc.

#### Profit/loss from equity investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

#### Financial income and expenses

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

#### Tax for the year

The Company and its Danish subsidiaries are subject to the Danish rules on mandatory joint taxation of Jens Enggaard Holding ApS Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

Jens Enggaard Holding ApS acts as Management Company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

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

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

# Financial statements 1 January - 31 December

## Notes

### 1 Accounting policies (continued)

#### Leases

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

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

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

All other leases are considered operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed in contingencies, etc.

#### Equity investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method in the Company's financial statements. The Company has chosen to consider the equity method a measurement method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

#### Impairment of non-current assets

The carrying amount of non-current assets is tested annually for impairment.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. Assets are written down to the lower of the carrying amount and the recoverable amount.

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

## Financial statements 1 January - 31 December

### Notes

#### 1 Accounting policies (continued)

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

#### Receivables

Receivables are measured at amortised cost.

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

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

Receivables in respect of which there is no objective evidence of individual impairment are assessed for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the Company's credit risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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

#### Prepayments

Prepayments recognised under "Current assets" comprise expenses incurred concerning subsequent financial years.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash.

#### Equity

##### *Reserve for net revaluation according to the equity method*

Net revaluation of equity investments in subsidiaries is recognised at cost in the reserve for net revaluation according to the equity method.

The reserve can be eliminated in case of losses, realisation of equity investments or a change in accounting estimates.

The reserve cannot be recognised at a negative amount.

##### *Dividend*

Dividend proposed for the year is recognised as a liability at the date when it is adopted at the general meeting (declaration date). Dividend expected to be distributed for the year is disclosed as a separate item under equity.

# Financial statements 1 January - 31 December

## Notes

### 1 Accounting policies (continued)

#### *Hedging reserve*

The hedging reserve comprises the cumulative net change after tax in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

#### **Income tax and deferred tax**

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

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Income tax receivable" or "Income tax payable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes or on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting neither the profit/loss for the year nor the taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

#### **Provisions**

Other provisions consist of expected costs related to project completions, including demobilization. Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realizable value.

## Financial statements 1 January - 31 December

### Notes

#### 1 Accounting policies (continued)

##### Liabilities other than provisions

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

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

Other liabilities are measured at net realisable value.

### Key figures

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

Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit/loss from ordinary activities} \times 100}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Return on assets	$\frac{\text{Profit/loss from ordinary activities} \times 100}{\text{Average of total assets}}$
Return on invested capital	$\frac{\text{Profit/loss from ordinary activities} \times 100}{\text{Average of invested capital}}$
Cash conversion ratio	$\frac{\text{Free cash flow before acquisitions} \times 100}{\text{Profit/loss from ordinary activities}}$
Solvency ration	$\frac{\text{Equity at year end} \times 100}{\text{Total liabilities and equity at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Definition of invested capital	Equity, lease obligations, debt to mortgage credit institutions and debt to credit institutions

# Financial statements 1 January - 31 December

## Notes

### 1 Accounting policies (continued)

#### Fair value

Fair value is determined based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability.

All assets and liabilities that are measured at fair value or whose fair value is disclosed are classified based on the fair value hierarchy, see below:

Level 1: Value based on the fair value of similar assets/liabilities in an active market.

Level 2: Value based on generally accepted valuation methods on the basis of observable market information.

Level 3: Value based on generally accepted valuation methods and reasonable estimates based on non-observable market information.

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

## Financial statements 1 January - 31 December

### Notes

DKK'000

2022      2021

### 2 Segment information

EMEA	<u>749.180</u>	<u>1.007.283</u>
	<b><u>749.180</u></b>	<b><u>1.007.283</u></b>

No further geographical segmentation has been disclosed with reference to the Danish Financial Statements Act § 96,1, due to competition-reasoning.

Disclosure of activity information are not included since the revenue is considered as one activity.

### 3 Fees paid to auditors appointed at the annual general meeting

Fee for statutory audit	701	595
Fees for tax advisory services	713	57
Assurance engagements	37	190
Other assistance	<u>136</u>	<u>402</u>
	<b><u>1.587</u></b>	<b><u>1.244</u></b>

### 4 Financial income

Interest income from group companies	4.436	2.243
Other interest income	<u>0</u>	<u>4</u>
	<b><u>4.436</u></b>	<b><u>2.247</u></b>

### 5 Financial expenses

Interest expenses to group companies	1.787	1.326
Other interest expenses	<u>4.101</u>	<u>2.768</u>
	<b><u>5.888</u></b>	<b><u>4.094</u></b>

## Financial statements 1 January - 31 December

### Notes

DKK'000

	<u>2022</u>	<u>2021</u>
<b>6 Tax for the year</b>		
Current tax charge for the year	-14.932	13.340
Adjustment of the deferred tax charge for the year	<u>656</u>	<u>-1.000</u>
	<b><u>-14.276</u></b>	<b><u>12.340</u></b>
 Analysed as follows:		
Tax for the year	-15.129	12.340
Tax on changes in equity	<u>853</u>	<u>0</u>
	<b><u>-14.276</u></b>	<b><u>12.340</u></b>



## Financial statements 1 January - 31 December

### Notes

#### 7 Other non-current assets

DKK'000	Equity investments in subsidiaries
Cost at 1 January	3.739
Additions	41
<b>Cost at 31 December</b>	<b>3.780</b>
Value adjustments at 1 January	85.058
Foreign exchange adjustment	-1.718
Profit/loss for the year	71.738
Distributed dividend	-17.916
<b>Value adjustments at 31 December</b>	<b>137.162</b>
<b>Carrying amount at 31 December</b>	<b>140.942</b>
Equity investments are recognised in the balance sheet as follows:	
Other non-current assets	179.717
Current assets	-35.825
Non-current liabilities	-2.950
	<b>140.942</b>

Name and municipality	Voting rights and ownership
<b>Subsidiaries</b>	
BMS Krane GmbH, 24955 Harrislee, Germany	100%
BMS Heavy Cranes South Africa Ltd., 2052 Johannesburg, South Africa	90%
BMS Heavy Cranes Inc., North Carolina 28202, United States of America	100%
BMS Heavy Cranes Australia Pty. Ltd., New South Wales 2000, Australia	100%
BMS HCR ApS, Nørresundby, Denmark	100%
BMS Heavy Cranes Iberica, S. L., 28008 Madrid, Spain	100%
BMS Heavy Cranes Taiwan Co. Ltd., Taichung, Taiwan	100%
BMS Heavy Cranes Poland Sp. z.o.o., 66-400 Gorzow, Poland	100%
BMS Heavy Cranes B.V., Eindhoven, The Netherlands	100%
BMS Heavy Cranes UK Ltd., Huntingdon, United Kingdom	100%
BMS Heavy Cranes Oy, Ulvila, Finland	100%
BMS Heavy Cranes Vietnam Co. Ltd., Hanoi City, Vietnam	100%
BMS Heavy Cranes LLC, Kyiv, Ukraine	100%
BMS Heavy Cranes Ltd., Dundalk, Ireland	100%
BMS HCA ApS, Nørresundby, Denmark	100%
BMS Heavy Cranes Ltd, Canada	100%
BMS HCF ApS, Nørresundby, Denmark	100%

## Financial statements 1 January - 31 December

### Notes

DKK'000

	<u>2022</u>	<u>2021</u>
<b>8 Deferred tax</b>		
Deferred tax at 1 January	-4.086	645
Disposal relating to demerging	0	-3.731
Adjustment of the deferred tax charge for the year	<u>656</u>	<u>-1.000</u>
<b>Deferred tax at 31 December</b>	<b><u>-3.430</u></b>	<b><u>-4.086</u></b>
Deferred tax is recognised in the balance sheet as follows:		
Deferred tax assets	<u>-3.430</u>	<u>-4.086</u>
	<b><u>-3.430</u></b>	<b><u>-4.086</u></b>
The deferred tax charge relates to:		
Other provisions	<u>-3.430</u>	<u>-4.086</u>
	<b><u>-3.430</u></b>	<b><u>-4.086</u></b>
Deferred tax are expected to be set off within:		
0-1 year	-343	-409
Over 1 year	<u>-3.087</u>	<u>-3.677</u>
	<b><u>-3.430</u></b>	<b><u>-4.086</u></b>

### 9 Derivative financial instruments

Fair value of forward exchange contracts as mentioned in note 16.

### 10 Prepayments

The prepayments recognized in the balance sheet are related to rental of equipment.

## Financial statements 1 January - 31 December

### Notes

DKK'000

	<u>2022</u>	<u>2021</u>
<b>11 Other provisions</b>		
Provision at 1 January	17.545	14.030
Utilised during the year	-5.938	-1.035
Provision for the year	<u>3.985</u>	<u>4.550</u>
<b>Provision at 31 December</b>	<b><u>15.592</u></b>	<b><u>17.545</u></b>

Other provisions consist of expected costs related to project completions, including demobilization. Other provisions expected to be realised within the next year is DKK 1.559 thousand.

### 12 Other payables

0-1 year	57.802	34.578
1-5 years	<u>0</u>	<u>7.141</u>
	<b><u>57.802</u></b>	<b><u>41.719</u></b>

The liabilities are recognised in the balance sheet as follows:

Non-current liabilities	0	7.141
Current liabilities	<u>57.802</u>	<u>34.578</u>
	<b><u>57.802</u></b>	<b><u>41.719</u></b>

### 13 Staff costs

Wages and salaries	90.961	82.659
Pensions	9.178	4.709
Other social security costs	<u>1.831</u>	<u>209</u>
	<b><u>101.969</u></b>	<b><u>87.577</u></b>

Average number of full-time employees	<u>125</u>	<u>101</u>
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Remuneration to the Executive Board is reported in administrative expenses as wages and salary as well as management fee. Total salary to the Executive Board was 6.333 t.kr. (2021: 7.843 t.kr.) and pensions were 167 t.kr. (2021: 157 t.kr.). There is no remuneration to the company's Board of Directors.

## Financial statements 1 January - 31 December

### Notes

#### 14 Contractual obligations and contingencies

##### Contingent liabilities

The Company is jointly taxed with Jens Enggaard Holding ApS and its Danish subsidiaries. Jens Enggaard Holding ApS has joint and several unlimited liability, together with its subsidiaries, for all Danish income taxes and withholding taxes on dividend, interest and royalties within the group of jointly taxed entities. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc. could entail an increase in the entities' tax liability. The Company as a whole is not liable vis-à-vis any third parties.

##### Operating lease liabilities

The operating lease liability at company level is DKK 312.994 thousand of which leases from group entities have a total, nominal residual lease liability of DKK 311.499 thousand. The leases have a remaining term of up to 115 months.

DKK'000

	<u>2022</u>	<u>2021</u>
<b>15 Mortgages and collateral</b>		
The company has provided guarantees for financial lease liability in related companies.		
<b>Financial lease liability with a carrying amount of</b>	<b><u>497.571</u></b>	<b><u>358.733</u></b>

The Company has moreover provided guarantees for Group companies' overdraft facilities, amounting to maximum of DKK 34.233 thousand.

## Financial statements 1 January - 31 December

### Notes

#### 16 Currency risks and use of derivative financial instruments

The Company uses hedging instruments such as forward exchange contracts to hedge recognised and non-recognised transactions.

#### Recognised transactions

Hedging of recognised transactions primarily includes receivables and payables.

#### Currency risks

Currency (DKK'000)	Payment/ maturity	Receiv- ables	Payables	Net position
AUD	< 1 år	14.382	-45	14.337
EUR	< 1 år	206.388	-63.163	143.225
UAH	< 1 år	19.231	0	19.231
NOK	< 1 år	3.765	-533	3.232
SEK	< 1 år	1.648	-6.359	-4.711
USD	< 1 år	23.608	-401	23.207
ZAR	< 1 år	2.636	0	2.636
Other	< 1 år	511	-918	-407
		<b>272.169</b>	<b>-71.419</b>	<b>200.750</b>

#### Forecast transactions

The Company uses forward exchange contracts to hedge expected currency risks relating to sale and purchase of services in the coming year.

DKK'000	Period (months)	Contractual value		Gains and losses recognised in equity	
		2022	2021	2022	2021
Forward exchange contracts (AUD)	12	88.272	0	3.875	0

The fair value of forward exchange contracts amounts to DKK 3.875 thousand per 31 December 2022.

Forward exchange contracts are measured according to fair value level 2.

## Financial statements 1 January - 31 December

### Notes

#### 17 Related parties

BMS Heavy Cranes A/S' related parties comprise the following:

##### Parties exercising control

BMS Capital A/S holds the majority of the share capital in BMS Heavy Cranes A/S.

BMS Heavy Cranes A/S is included in the Group Annual Report of Jens Enggaard Holding ApS, Sofiendalsvej 94A, 9200 Aalborg SV, Denmark.

#### Related party transactions

DKK'000

	<u>2022</u>	<u>2021</u>
Sale of services, group companies	144.596	203.381
Interest income, group companies	4.436	2.243
Purchase of services, group companies	-318.165	-393.385
Administrative expenses, group companies	-6.458	-4.465
Interest expenses, group companies	-1.787	-1.326
Sales of services, participating interest	10.190	12.910
Purchases of services, participating interest	<u>-17.169</u>	<u>-15.432</u>

Refer to note 13 for remuneration to the Executive Board.

Refer to the balance for assets and liabilities regarding receivables and payable for related parties.

#### 18 Appropriation of profit/loss

##### Recommended appropriation of profit/loss

	<u>2022</u>	<u>2021</u>
Reserve for net revaluation according to the equity	53.822	51.626
Retained earnings	<u>-40.112</u>	<u>49.681</u>
	<u><b>13.710</b></u>	<u><b>101.307</b></u>

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## Tage Thesbjerg

### Vice Chairman

På vegne af: BMS Heavy Cranes A/S

Serienummer: 0bbac564-d771-4a98-ab34-5a7a74bc7658

IP: 212.98.xxx.xxx

2023-05-25 14:05:29 UTC



## Jørgen Enggaard

### Chairman

På vegne af: BMS Heavy Cranes A/S

Serienummer: PID:9208-2002-2-536060736804

IP: 78.157.xxx.xxx

2023-05-25 15:30:03 UTC



## Morten Kammer

### Executive Board

På vegne af: BMS Heavy Cranes A/S

Serienummer: PID:9208-2002-2-795121727335

IP: 62.107.xxx.xxx

2023-05-26 06:16:22 UTC



## Jesper Lund Myrup Hedegaard

### Chairman of the general meeting

På vegne af: BMS Heavy Cranes A/S

Serienummer: c2950245-e7b5-4bf7-a58b-27d073b05db5

IP: 212.98.xxx.xxx

2023-05-26 11:06:36 UTC



## Jens Jørgen Enggaard

### CEO

På vegne af: BMS Heavy Cranes A/S

Serienummer: 83827c6a-6250-450e-a7ad-e2a669696b3b

IP: 2.130.xxx.xxx

2023-05-28 11:08:22 UTC



## Jens Jørgen Enggaard

### Board of Directors

På vegne af: BMS Heavy Cranes A/S

Serienummer: 83827c6a-6250-450e-a7ad-e2a669696b3b

IP: 2.130.xxx.xxx

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## John Helmenkamp Mikkelsen

### Board of Directors

På vegne af: BMS Heavy Cranes A/S

Serienummer: d964a0f7-f85d-4eee-b0e2-8b16a8d7dcc6

IP: 109.56.xxx.xxx

2023-05-29 19:23:23 UTC



## Allan Terp

### Statsautoriseret revisor

På vegne af: EY Godkendt Revisionspartnerselskab

Serienummer: 3db8ddc0-a72b-41b0-96f4-9194dba55950

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