

Bilfinger Danmark A/S

Vesterhavsgade 147
6700 Esbjerg

CVR no. 33 85 95 38

Annual report for 2022

(12nd Financial year)

Adopted at the annual general meeting
on 14. juli 2023

Dr David Douglas Nairn Hall
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Bilfinger Danmark A/S for the financial year 1 January - 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Esbjerg, 14 July 2023

Executive board

Michael Fugleberg Damtoft
Director

Supervisory board

Dr David Douglas Nairn Hall
chairman

Michael Fugleberg Damtoft

Derek Harcus

Auditor's report on compilation of the financial statements

To the shareholder of Bilfinger Danmark A/S

We have compiled the financial statements of Bilfinger Danmark A/S for the financial year 1 January - 31 December 2022 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Hellerup, 14 July 2023
CVR no. 33 25 68 76



Lasse Nørgård
State Authorized Public Accountant
MNE no. mne10675

Company details

The company

Bilfinger Danmark A/S
Vesterhavsgade 147
6700 Esbjerg

CVR no.: 33 85 95 38

Reporting period: 1 January - 31 December 2022

Incorporated: 11 July 2011

Domicile: Esbjerg

Supervisory board

Dr David Douglas Nairn Hall, chairman
Michael Fugleberg Damtoft
Derek Harcus

Executive board

Michael Fugleberg Damtoft, director

Auditors

Crowe
Statsautoriseret Revisionsinteressentskab v.m.b.a.
Rygårds Allé 104
2900 Hellerup

Management's review

Business review

The company's purpose is to run a contracting business within engineering, construction, fabrication and maintenance of industrial plants and floating production units and related business.

Financial review

The company's income statement for the year ended 31 December 2022 shows a profit of DKK 10,214,112, and the balance sheet at 31 December 2022 shows equity of DKK 6,332,318.

The company has acquired Bilfinger Salmis Danmark, Branch of Bilfinger Salmis UK Limited at the beginning of the year.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of Bilfinger Danmark A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The annual report for 2022 is presented in DKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Revenue is attributable to services provided by the Company. Revenue is recognised over time as performance is attributable to services by the Company. Revenue is recognised over time as performance obligations are fulfilled, which is when the service has been transferred to the customer. This is based on the actual service provided during the year to the end of the reporting period and determined by actual labour and hire rates specified in customer contracts.

Accounting policies

In accordance with contractual arrangements, there is typically a monthly invoice with usual payment terms of 30 to 60 days after invoice has been issued. Prior to the invoice being raised, revenue is accrued in the accounting period to which it is earned. Provision is made for all losses expected to arise on completion of contracts entered into at the statement of financial position date, whether or not work has commenced on these contracts.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised exchange gains and losses on foreign currency transactions and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation and impairment losses.

Goodwill is amortised over the expected economic life of the asset, measured by reference to management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 7 years. The amortisation period is based on the assessment that the entities in question are strategically acquired entities with a strong market position and a long-term earnings profile.

Accounting policies

Tangible assets

Items of fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

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

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Useful life

Other fixtures and fittings, tools and equipment 3-5 years

Assets costing less than DKK 10.000 are expensed in the year of acquisition.

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any amounts estimated to be uncollectable. An estimate for doubtful debts is made when there is objective evidence that the collection of the full amount is no longer probable under the terms of the original invoice. Impaired debts are derecognised when they are assessed as uncollectable.

The company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit and loss. ECLs are based in the difference between contractual cash flows in accordance with the contract and all the cash flows the company expects to receive, discounted at an approximation of the original effective interest rate. ECLs are provided for credit losses that result from default events that are possible within the next 12 months.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

Accounting policies

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

As management company, Bilfinger Danmark A/S is liable for payment of the subsidiaries' corporate income taxes to the tax authorities.

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Foreign currency translation

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

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and 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.

Income statement
1 January 2022 - 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> TDKK
Gross profit		49.519.592	-60
Staff costs	1	-37.537.199	0
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-5.838.630</u>	<u>0</u>
Profit/loss before net financials		6.143.763	-60
Financial income	2	1.595.248	1.916
Financial costs	3	<u>-2.223.798</u>	<u>-1.315</u>
Profit/loss before tax		5.515.213	541
Tax on profit/loss for the year	4	<u>4.698.899</u>	<u>827</u>
Profit/loss for the year		<u>10.214.112</u>	<u>1.368</u>
 Recommended appropriation of profit/loss			
Retained earnings		<u>10.214.112</u>	<u>1.368</u>
		<u>10.214.112</u>	<u>1.368</u>

Balance sheet at 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> TDKK
Assets			
Goodwill		7.698.253	0
Intangible assets	5	<u>7.698.253</u>	<u>0</u>
Other fixtures and fittings, tools and equipment	6	13.463.573	0
Tangible assets		<u>13.463.573</u>	<u>0</u>
Total non-current assets		<u>21.161.826</u>	<u>0</u>
Trade receivables		9.864.085	0
Contract work in progress		6.878.887	0
Receivables from group enterprises		25.724	3.846
Other receivables		9.726.642	17
Deferred tax asset		6.425.770	0
Corporation tax		2.291.495	0
Prepayments		695.885	0
Receivables		<u>35.908.488</u>	<u>3.863</u>
Cash at bank and in hand		<u>7.479.406</u>	<u>224</u>
Total current assets		<u>43.387.894</u>	<u>4.087</u>
Total assets		<u>64.549.720</u>	<u>4.087</u>

Balance sheet at 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> TDKK
Equity and liabilities			
Share capital		500.000	500
Retained earnings		5.832.318	-4.382
Equity		<u>6.332.318</u>	<u>-3.882</u>
Trade payables		7.953.153	47
Payables to group enterprises		46.243.633	7.922
Other payables		3.861.691	0
Deferred income		158.925	0
Total current liabilities		<u>58.217.402</u>	<u>7.969</u>
Total liabilities		<u>58.217.402</u>	<u>7.969</u>
Total equity and liabilities		<u>64.549.720</u>	<u>4.087</u>
Contingent liabilities	7		
Mortgages and collateral	8		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2022	500.000	-4.381.794	-3.881.794
Net profit/loss for the year	0	10.214.112	10.214.112
Equity at 31 December 2022	<u>500.000</u>	<u>5.832.318</u>	<u>6.332.318</u>

Notes

	<u>2022</u>	<u>2021</u>
	DKK	TDKK
1 Staff costs		
Wages and salaries	34.413.126	0
Pensions	2.977.271	0
Other social security costs	146.802	0
	<u>37.537.199</u>	<u>0</u>
Average number of employees	<u>47</u>	<u>1</u>
2 Financial income		
Interest received from group enterprises	54.026	0
Other financial income	1.541.222	0
Exchange adjustments	0	1.916
	<u>1.595.248</u>	<u>1.916</u>
3 Financial costs		
Interest paid to group enterprises	1.504.159	1.315
Other financial costs	180.927	0
Exchange adjustments costs	538.712	0
	<u>2.223.798</u>	<u>1.315</u>
4 Tax on profit/loss for the year		
Current tax for the year	0	-827
Deferred tax for the year	1.017.938	0
Adjustment of tax concerning previous years	1.726.871	0
Adjustment of deferred tax concerning previous years	-7.443.708	0
	<u>-4.698.899</u>	<u>-827</u>

Notes

5 Intangible assets

	<u>Goodwill</u>
Cost at 1 January 2022	0
Additions for the year	<u>8.981.295</u>
Cost at 31 December 2022	<u>8.981.295</u>
Impairment losses and amortisation at 1 January 2022	0
Depreciation for the year	<u>1.283.042</u>
Impairment losses and amortisation at 31 December 2022	<u>1.283.042</u>
Carrying amount at 31 December 2022	<u><u>7.698.253</u></u>

6 Tangible assets

	<u>Other fixtures and fittings, tools and equipment</u>
Cost at 1 January 2022	0
Additions for the year	<u>18.019.161</u>
Cost at 31 December 2022	<u>18.019.161</u>
Depreciation at 1 January 2022	0
Depreciation for the year	<u>4.555.588</u>
Depreciation at 31 December 2022	<u>4.555.588</u>
Carrying amount at 31 December 2022	<u><u>13.463.573</u></u>

Notes

7 Contingent liabilities

The company is jointly taxed with other Danish group companies. The jointly taxed companies have joint and unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

The company has entered into a rental agreement that can be terminated on 31 March 2027 at the earliest with a contingent liability of DKK 1,893 thousand.

The company has entered into lease agreements, which result in a contingent liability of DKK 220 thousand.

8 Mortgages and collateral

None.