
VINDTESTCENTER KAPPEL A/S

c/o Momentum Gruppen A/S, Københavnsvej 81, DK-4000
Roskilde

Annual Report for 1 October 2022 - 30 September 2023

CVR No. 35 03 47 57

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 8/11 2023

Maria Malling Eriksen
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of VINDTESTCENTER KAPPEL A/S for the financial year 1 October 2022 - 30 September 2023.

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 financial position at 30 September 2023 of the Company and of the results of the Company operations for 2022/23.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Roskilde, 8 November 2023

Executive Board

Kim Madsen
Manager

Melanie Maria Schaub
Manager

Board of Directors

Andrew Wojtek
Chairman

Kim Madsen

Bernhard Gierke

Independent Auditor's report

To the shareholder of VINDTESTCENTER KAPPEL A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2023 and of the results of the Company's operations for the financial year 1 October 2022 - 30 September 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of VINDTESTCENTER KAPPEL A/S for the financial year 1 October 2022 - 30 September 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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.

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.

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, in our view, Management's Review 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 in Management's Review.

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.

Independent Auditor's report

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 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.

Hellerup, 8 November 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Mads Blichfeldt Fjord

State Authorised Public Accountant

mne46065

Company information

The Company	VINDTESTCENTER KAPPEL A/S c/o Momentum Gruppen A/S Københavnsvej 81 DK-4000 Roskilde CVR No: 35 03 47 57 Financial period: 1 October 2022 - 30 September 2023 Incorporated: 29 January 2013 Municipality of reg. office: Roskilde
Board of Directors	Andrew Wojtek, chairman Kim Madsen Bernhard Gierke
Executive Board	Kim Madsen Melanie Maria Schaub
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Management's review

Key activities

The Company's objective is directly or through investments in other companies associated with the energy industry, to develop, operate and/or sell all kinds of renewable energy and related activities.

The company operates a wind farm located at Lolland, Denmark.

Development in the year

The income statement of the Company for 2022/23 shows a profit of EUR 4,367,682, and at 30 September 2023 the balance sheet of the Company shows positive equity of EUR 8,565,470.

The result for the period is in accordance with expectations.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 October 2022 - 30 September 2023

	Note	2022/23 EUR	2021/22 EUR
Revenue		8,999,007	8,716,888
Production expenses		-2,853,586	-2,404,487
Gross profit		6,145,421	6,312,401
Administrative expenses		-279,887	-170,225
Profit/loss before financial income and expenses		5,865,534	6,142,176
Financial income	1	657,698	0
Financial expenses	2	-1,179,276	-1,958,892
Profit/loss before tax		5,343,956	4,183,284
Tax on profit/loss for the year	3	-976,274	-1,099,606
Net profit/loss for the year		4,367,682	3,083,678

Distribution of profit

	2022/23 EUR	2021/22 EUR
Proposed distribution of profit		
Extraordinary dividend paid	3,500,000	0
Retained earnings	867,682	3,083,678
	4,367,682	3,083,678

Balance sheet 30 September 2023

Assets

	Note	2022/23 EUR	2021/22 EUR
Acquired patents		2,474,993	2,605,984
Goodwill		37,098	39,062
Intangible assets	4	2,512,091	2,645,046
Plant and machinery		29,201,421	30,746,924
Property, plant and equipment	5	29,201,421	30,746,924
Other receivables	6	59,804	68,209
Fixed asset investments		59,804	68,209
Fixed assets		31,773,316	33,460,179
Trade receivables		411,894	1,277,787
Receivables from group enterprises		0	292,171
Other receivables		37,321	7,138
Prepayments		2,678,918	2,764,930
Receivables		3,128,133	4,342,026
Cash at bank and in hand		5,393,294	4,289,455
Current assets		8,521,427	8,631,481
Assets		40,294,743	42,091,660

Balance sheet 30 September 2023

Liabilities and equity

	Note	2022/23 EUR	2021/22 EUR
Share capital		68,356	68,356
Reserve for hedging transactions		54,353	58,771
Retained earnings		8,442,761	7,575,079
Equity		8,565,470	7,702,206
Provision for deferred tax		3,862,456	3,740,354
Provisions		3,862,456	3,740,354
Mortgage loans		7,507,677	9,024,948
Payables to group enterprises		16,238,643	16,530,814
Long-term debt	7	23,746,320	25,555,762
Mortgage loans	7	2,283,787	3,066,073
Trade payables		260,465	104,407
Payables to group enterprises		741,849	739,131
Corporation tax		834,396	706,333
Other payables		0	477,394
Short-term debt		4,120,497	5,093,338
Debt		27,866,817	30,649,100
Liabilities and equity		40,294,743	42,091,660
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Statement of changes in equity

	Share capital	Reserve for hedging transactions	Retained earnings	Total
	EUR	EUR	EUR	EUR
Equity at 1 October	68,356	58,771	7,575,079	7,702,206
Extraordinary dividend paid	0	0	-3,500,000	-3,500,000
Fair value adjustment of hedging instruments, end of year	0	-5,664	0	-5,664
Tax on adjustment of hedging instruments for the year	0	1,246	0	1,246
Net profit/loss for the year	0	0	4,367,682	4,367,682
Equity at 30 September	68,356	54,353	8,442,761	8,565,470

Notes to the Financial Statements

1. Financial income

	2022/23 EUR	2021/22 EUR
Other financial income	657,698	0
	657,698	0

2. Financial expenses

	2022/23 EUR	2021/22 EUR
Interest paid to group enterprises	994,566	991,851
Other financial expenses	171,234	946,988
Exchange adjustments, expenses	13,476	20,053
	1,179,276	1,958,892

3. Income tax expense

	2022/23 EUR	2021/22 EUR
Current tax for the year	854,172	718,300
Deferred tax for the year	120,651	418,177
Adjustment of deferred tax concerning previous years	1,451	-36,871
	976,274	1,099,606

4. Intangible fixed assets

	Acquired patents EUR	Goodwill EUR
Cost at 1 October	3,274,762	49,083
Cost at 30 September	3,274,762	49,083
Impairment losses and amortisation at 1 October	668,779	10,022
Amortisation for the year	130,990	1,963
Impairment losses and amortisation at 30 September	799,769	11,985
Carrying amount at 30 September	2,474,993	37,098

Notes to the Financial Statements

5. Property, plant and equipment

	Plant and machinery
	EUR
Cost at 1 October	38,637,575
Cost at 30 September	38,637,575
Impairment losses and depreciation at 1 October	7,890,651
Depreciation for the year	1,545,503
Impairment losses and depreciation at 30 September	9,436,154
Carrying amount at 30 September	29,201,421

6. Other fixed asset investments

	Other receivables
	EUR
Cost at 1 October	68,209
Disposals for the year	-8,405
Cost at 30 September	59,804
Carrying amount at 30 September	59,804

Notes to the Financial Statements

7. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2022/23	2021/22
	EUR	EUR
Mortgage loans		
After 5 years	3,253,325	4,254,334
Between 1 and 5 years	4,254,352	4,770,614
Long-term part	7,507,677	9,024,948
Within 1 year	2,283,787	3,066,073
	9,791,464	12,091,021
Payables to group enterprises		
After 5 years	16,238,643	16,530,814
Long-term part	16,238,643	16,530,814
Within 1 year	0	0
Other short-term debt to group enterprises	741,849	739,131
Short-term part	741,849	739,131
	16,980,492	17,269,945

8. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	249,952	357,172
Between 1 and 5 years	1,877,453	2,174,160
After 5 years	1,123,734	2,122,505
	3,251,139	4,653,837

Service-fee from Momentum Gruppen A/S	43,918	43,822
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Notes to the Financial Statements

9. Related parties

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Pangaea Renewables GmbH & Co. KG, Valentinskamp 70, D-20355 Hamburg, Germany

Notes to the Financial Statements

10. Accounting policies

The Annual Report of VINDTESTCENTER KAPPEL A/S for 2022/23 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022/23 are presented in EUR.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Notes to the Financial Statements

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Income statement

Net sales

Revenue from the sale of electricity is recognised when the risks and rewards relating to the electricity sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits to the sale will flow to the Company

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Production expenses

Production expenses comprise costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Production expenses also include amortisation of goodwill to the extent that goodwill relates to production activities.

Administrative expenses

Administrative expenses comprise expenses for management administration and expenses relating to auditing fee, legal assistance, administrative services etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to realised and unrealised capital/exchange gains and losses on securities, foreign currency transactions and amortisation of mortgage loans.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Intangible fixed assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 25 year.

Project rights are measured at cost less accumulated amortisation and impairment losses. Project rights are amortised on a straight-line basis over the remaining period. The amortisation period is 25 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Notes to the Financial Statements

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Plant and machinery	25 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of cross currency and interest rate swaps recognised at fair value.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent of land, service costs and insurance.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Notes to the Financial Statements

Financial debts

Loans, such as mortgage loans, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.