
PCH Investment A/S

c/o KK-Group, Bøgildvej 3, DK-7430 Ikast

Annual Report for 1 January - 31 December 2021

CVR No 36 50 32 03

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
20/4 2022

Allan Gabriel Zandberg
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 Annual Report of PCH Investment A/S for the financial year 1 January - 31 December 2021.

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 31 December 2021 of the Company and of the results of the Company operations for 2021.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Ikast, 20 April 2022

Executive Board

Mauricio Fernando Quintana
CEO

Board of Directors

Søren Bæk Just
Chairman

Kim Wichmann-Hansen

Mauricio Fernando Quintana

Independent Auditor's Report

To the Shareholder of PCH Investment A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of PCH Investment A/S for the financial year 1 January - 31 December 2021, 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.

Management's responsibilities for the Financial Statements

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

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

Auditor's responsibilities for the audit of the Financial Statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the

Independent Auditor's Report

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.

Aarhus, 20 April 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Claus Lyngsø Sørensen
State Authorised Public Accountant
mne34539

Thomas Bernth Jensen
State Authorised Public Accountant
mne47814

Company Information

The Company

PCH Investment A/S
c/o KK-Group
Bøgildvej 3
DK-7430 Ikast

CVR No: 36 50 32 03

Financial period: 1 January - 31 December

Municipality of reg. office: Ikast-Brande

Board of Directors

Søren Bæk Just , Chairman
Kim Wichmann-Hansen
Mauricio Fernando Quintana

Executive Board

Mauricio Fernando Quintana

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Nobelparken
Jens Chr. Skous Vej 1
DK-8000 Aarhus C

Income Statement 1 January - 31 December

	Note	2021 kDKK	2020 kDKK
Other external expenses		-45	-29
Gross profit/loss		-45	-29
Other operating expenses		-5.446	0
Profit/loss before financial income and expenses		-5.491	-29
Income from investments in subsidiaries		24.686	29.119
Financial income	3	0	516
Financial expenses	4	-789	-1.136
Profit/loss before tax		18.406	28.470
Tax on profit/loss for the year	5	108	69
Net profit/loss for the year		18.514	28.539

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year		10.000	0
Reserve for net revaluation under the equity method		24.685	4.119
Retained earnings		-16.171	24.420
		18.514	28.539

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2021</u> kDKK	<u>2020</u> kDKK
Investments in subsidiaries	6	121.750	97.065
Fixed asset investments		121.750	97.065
Fixed assets		121.750	97.065
Corporation tax receivable from group enterprises		2.684	9.138
Receivables		2.684	9.138
Currents assets		2.684	9.138
Assets		124.434	106.203

Balance Sheet 31 December

Liabilities and equity

	Note	2021 kDKK	2020 kDKK
Share capital		1.000	1.000
Reserve for net revaluation under the equity method		37.250	12.565
Retained earnings		38.153	54.324
Proposed dividend for the year		10.000	0
Equity		86.403	67.889
Subordinate loan capital		0	350
Long-term debt	7	0	350
Payables to group enterprises		38.019	37.910
Corporation tax		0	48
Other payables		12	6
Short-term debt		38.031	37.964
Debt		38.031	38.314
Liabilities and equity		124.434	106.203
Key activities	1		
Staff	2		
Contingent assets, liabilities and other financial obligations	8		
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Statement of Changes in Equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	kDKK	kDKK	kDKK	kDKK	kDKK
Equity at 1 January	1.000	12.565	54.324	0	67.889
Net profit/loss for the year	0	24.685	-16.171	10.000	18.514
Equity at 31 December	1.000	37.250	38.153	10.000	86.403

Notes to the Financial Statements

1 Key activities

PCH Investment A/S' main activity is to own shares in group companies.

2 Staff

Average number of employees

	2021 kDKK	2020 kDKK
	<u>0</u>	<u>0</u>

3 Financial income

Interest received from group enterprises

	<u>0</u>	<u>516</u>
	<u>0</u>	<u>516</u>

4 Financial expenses

Interest paid to group enterprises

Other financial expenses

	789	802
	<u>0</u>	<u>334</u>
	<u>789</u>	<u>1.136</u>

5 Tax on profit/loss for the year

Current tax for the year

	<u>-108</u>	<u>-69</u>
	<u>-108</u>	<u>-69</u>

Notes to the Financial Statements

	2021 kDKK	2020 kDKK
6 Investments in subsidiaries		
Cost at 1 January	84.500	84.500
Cost at 31 December	84.500	84.500
Value adjustments at 1 January	12.564	8.446
Net profit/loss for the year	27.577	32.010
Dividend to the Parent Company	0	-25.000
Amortisation of goodwill	-2.891	-2.891
Value adjustments at 31 December	37.250	12.565
Carrying amount at 31 December	121.750	97.065

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and ownership
PCH Engineering A/S	Hørsholm	100%
Ved Klædebo 4 ApS	Hørsholm	100%

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:

Subordinate loan capital

Between 1 and 5 years	0	350
Long-term part	0	350
Within 1 year	0	0
	0	350

Notes to the Financial Statements

8 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of A.P. MØLLER HOLDING A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

9 Related parties

Consolidated Financial Statements

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

Name	Place of registered office
KK Wind Solutions Holding A/S, business registration no. 39 06 70 48	Ikast, Denmark

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of PCH Investment A/S for 2021 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 2021 are presented in kDKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of KK Wind Solutions Holding A/S, business registration no. 39 06 70 48, the Company has not prepared consolidated financial statements.

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

Notes to the Financial Statements

10 Accounting Policies (continued)

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.

Income Statement

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including expenses relating to repayment of subordinate loan capital.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

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.

The Company is jointly taxed with A.P. MØLLER HOLDING A/S. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with addition of the remaining value of any increases in value and goodwill calcu-

Notes to the Financial Statements

10 Accounting Policies (continued)

lated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

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.

Financial debts

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