

Connected Wind Services Refurbishment A/S

CVR no. 37 56 84 81

Annual report 2019

The annual report was presented and approved at
the Company's annual general meeting

On 8th of April 2020

Chairman of the annual general meeting

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Connected Wind Services Refurbishment A/S
Annual report 2019
CVR no. 37 56 84 81

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Connected Wind Services Refurbishment for the financial year 1 January – 31 December 2019.

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 Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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

Balle, 8th of April 2020
Executive Board:

Felix Overbeck

Board of Directors:

Oliver Auras
Chairman

Morten Lund

Felix Overbeck

Independent auditor's report

To the shareholders of Connected Wind Services Refurbishment A/S

Opinion

We have audited the financial statements of Connected Wind Services Refurbishment A/S for the financial year 1 January – 31 December 2019 comprising 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 Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. 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' Code of Ethics for Professional Accountants (ESBA Code) and additional requirement applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibility 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 that 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 the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 company 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 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.

Aarhus, 8th of April 2020

Ernst & Young

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

Jes Lauritzen
State Authorised
Public Accountant
mne10121

Christian Jøker
State Authorised
Public Accountant
mne31471

Management's review

Company details

Connected Wind Services Refurbishment A/S
Nyballevej 8, 8444 Balle

Telephone: 22 60 48 00
Website: www.connectedwind-refurbishment.com
E-mail: info.ref@connectedwind.com

CVR no. 37 56 84 81
Established: 23 March 2016
Registered office: Syddjurs
Financial year: 1 January – 31 December

Board of Directors

Oliver Auras, Chairman

Morten Lund

Felix Overbeck

Executive Board

Felix Overbeck

Auditor

Ernst & Young
Godkendt Revisionspartnerselskab
Værkmestergade 25, 8100 Aarhus C

Management's review

Financial highlights

| DKK'000 | 2019 | 2018 | 2017 | 2016 (9 months) |
|--|--------|---------|---------|--------------------|
| Gross profit/loss | -1.643 | -23.295 | -20.752 | -3.379 |
| Ordinary operating profit/loss | -8.136 | -32.018 | -29.552 | -7.896 |
| Profit/loss from financial income and expenses | -766 | -1.461 | -1.653 | -876 |
| Profit/loss for the year | -8.902 | -33.479 | -31.205 | -8.766 |
| Total assets | 10.632 | 24.873 | 51.758 | 70.813 |
| Investments in property, plant and equipment | 0 | 721 | 545 | 16.723 |
| Equity | -852 | -15.950 | 4.529 | 21.734 |
| Return on invested capital | -119,2 | -104,1 | -57,1 | -26,0 |
| Solvency ratio | -8,4 | -64,1 | 8,8 | 30,7 |

Financial ratios are calculated in accordance with the guidelines "Recommendations and Ratios" issued by the Danish Society of Financial Analysts.

The financial ratios have been calculated as follows:

| | |
|----------------------------|--|
| Return on invested capital | $\frac{\text{Operating profit} \times 100}{\text{Average invested capital}}$ |
| Invested capital | $\text{Operational intangible assets and property, plant and equipment as well as net working capital}$ |
| Solvency ratio | $\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$ |

Management's review

Operating review

Principal activities

The main activity of Connected Wind Services Refurbishment A/S has been manufacturer-independent renovation and sales of gears and other main components for wind turbines and other that are associated activities.

Development in activities and financial position

In the last years, the company has been affected by a generally difficult market both in Denmark and internationally. As a result, it was decided to close all current activities in the company in July 2019. Following this, major assets were sold to a new owner who have taken over the fixed assets and inventory. At the end of 2019, all activities have been closed down.

Currently, no decisions have been taken with regards to the continuation of the company and the company is therefore currently considered to be a dormant company.

Profit/loss for the year

The company's activities show a loss for the year of TDKK 8.902 against a loss in 2018 of TDKK 33.479. All known cost relating to the decision of closing the activities has been included in the result. The management considers the result unsatisfactory.

Capital resources

The company is financed through the parent company Connected Wind Services A/S, which makes the daily business financing available to implement the company's planned activities. During 2019 the parent company waived TDKK 24.000 of the loan increasing the capital of the company and re-establishing the equity at that time. The company intends to fulfil all of its obligations. The management consider the current available resources sufficient to continue the company in 2020 and beyond.

Outlook

Management expect limited activities and a small negative result from cost occurring during 2020 under the assumption that the company will not experience a significant negative effect of the ongoing Covid-19 virus outbreak.

Events after the balance sheet date

No significant events have occurred after the end of the financial year, which may influence the assessment of the company's financial position as at 31 December 2019.

Financial statements 1 January – 31 December

Income statement

| DKK'000 | Note | 2019 | 2018 |
|--|------|--------|---------|
| Gross loss | | -1.643 | -23.295 |
| Distribution costs | 2 | -24 | -23 |
| Administrative expenses | 2 | -6.469 | -8.700 |
| Operating loss | | -8.136 | -32.018 |
| Other financial income | 3 | 0 | 94 |
| Other financial expenses | 4 | -766 | -1.555 |
| Loss before tax | | -8.902 | -33.479 |
| Tax on loss for the year | 5 | 0 | 0 |
| Loss for the year | | -8.902 | -33.479 |
| Distribution of loss | | | |
| Proposed dividend for the financial year | | 0 | 0 |
| Retained earnings | | -8.902 | -33.479 |
| | | -8.902 | -33.479 |

Financial statements 1 January – 31 December

Balance sheet

| DKK'000 | Note | 2019 | 2018 |
|--|------|--------|--------|
| ASSETS | | | |
| Fixed assets | | | |
| Property, plant and equipment | | | |
| | 6 | | |
| Land and buildings | | 0 | 7.000 |
| Plant and machinery | | 0 | 739 |
| Fixtures and fittings, tools and equipment | | 0 | 308 |
| Property, plant and equipment under construction | | 0 | 557 |
| | | 0 | 8.604 |
| Total fixed assets | | 0 | 8.604 |
| Current assets | | | |
| Inventories | | | |
| Goods for resale and consumables | | 0 | 5.400 |
| | | 0 | 5.400 |
| Receivables | | | |
| Trade receivables | | 15 | 5.397 |
| Receivables from group entities | | 113 | 857 |
| Other receivables | | 620 | 949 |
| | | 748 | 7.203 |
| Cash at bank and in hand | | 9.884 | 3.666 |
| Total current assets | | 10.632 | 16.268 |
| TOTAL ASSETS | | 10.632 | 24.873 |

Financial statements 1 January – 31 December

Balance sheet

| DKK'000 | Note | 2019 | 2018 |
|--|------|---------------|----------------|
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 7 | 500 | 500 |
| Retained earnings | | -1.352 | -16.450 |
| Total equity | | -852 | -15.950 |
| Provisions | | | |
| Warranty commitments | 8 | 3.138 | 1.101 |
| Total provisions | | 3.138 | 1.101 |
| Liabilities other than provisions | | | |
| Non-current liabilities other than provisions | | | |
| Payables to group entities | 9 | 6.482 | 33.512 |
| | | 6.482 | 33.512 |
| Current liabilities other than provisions | | | |
| Lease obligations | 9 | 0 | 104 |
| Prepayments received from customers | 9 | 0 | 17 |
| Trade payables | | 260 | 4.286 |
| Payables to group entities | | 854 | 491 |
| Other payables, including taxes payable | | 750 | 1.311 |
| | | 1.864 | 6.209 |
| Total liabilities other than provisions | | 8.346 | 39.721 |
| TOTAL EQUITY AND LIABILITIES | | 10.632 | 24.873 |

Financial statements 1 January – 31 December

Statement of changes in equity

| DKK'000 | Share capital | Retained earnings | Total equity |
|---|------------------|----------------------|-----------------|
| Equity at 1 January 2019 | 500 | -16.450 | -15.950 |
| Distributed dividend | 0 | 0 | 0 |
| Remission of debt, parent company | 0 | 24.000 | 24.000 |
| Transferred over the distribution of loss | 0 | -8.902 | -8.902 |
| Equity at 31 December 2019 | <u>500</u> | <u>-1.352</u> | <u>-852</u> |

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Connected Wind Services Refurbishment A/S for 2019 has been prepared in accordance with the provisions applying to reporting class B under the Danish Financial Statements Act with optional selections from reporting class C.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

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 rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, 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

Revenue

Income from the sale of goods, comprising the sale of refurbished gearboxes and main shafts for wind turbines, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms @2010.

Revenue from the sale of goods where installation is a condition for major risks being considered transferred to the buyer is recognised as revenue when installation has been completed.

Revenue from the sale of goods where delivery has been postponed upon the buyer's request is recognised as revenue when ownership of the goods has been transferred to the buyer.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue.

Revenue from the sale of services, comprising refurbishment of components for wind turbines, is recognised on a straight-line basis in the income statement as the services are provided.

Services based on time spent are recognised in revenue as the work is performed.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Production costs

Production costs comprise costs, including depreciation, amortisation, wages and salaries incurred to generate revenue for the year. Commercial entities recognise their cost of sales, whereas production entities recognise production costs incurred to generate revenue for the year. Such costs include direct and indirect costs for raw materials and consumables, wages and salaries, rent and leases and depreciation of production plant.

Production costs also include research and development costs.

Distribution costs

Distribution costs comprise costs incurred to distribute goods sold during the year and to conduct sales campaigns, etc., including advertising and exhibitions as well as depreciation.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, management, office premises, office expenses and depreciation.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, 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 on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

The Company is assessed for Danish tax purposes jointly with domestic Group entities.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

| | |
|--|-----------|
| Production buildings | 20 years |
| Administration buildings | 20 years |
| Plant and machinery | 3-5 years |
| Fixtures and fittings, tools and equipment | 3-5 years |

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Leases

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

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Impairment of fixed assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised write-downs are reversed when the basis for the write-down no longer exists.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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.

Equity

Management's proposal for dividend for the financial year is shown as a separate item under equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value. Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Provisions

Provisions comprise anticipated costs of claims and repairs. Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at value in use.

Warranties comprise obligations to make good any defects within the warranty period of 1 year. Provisions are recognised based on the Company's experience with warranties. Provisions expected to be maintained for more than one year from the balance sheet date are discounted at a rate reflecting risk and the due date for payment.

When it is probable that total costs will exceed total income from a construction contract, the total projected loss on the work is recognised as a provision. The provision is recognised as production costs.

Liabilities other than provisions

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

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

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

Financial statements 1 January – 31 December

Notes

2 Staff costs and incentive schemes

| DKK'000 | 2019 | 2018 |
|---------------------------------------|---------------|---------------|
| Wages and salaries | 10.448 | 14.052 |
| Pensions | 1.350 | 1.969 |
| Other social security costs | 163 | 310 |
| | <u>11.961</u> | <u>16.331</u> |
| Average number of full-time employees | <u>19</u> | <u>28</u> |

Pursuant to §98b(3) of the Danish Financial Statements Act the remuneration of the Company's Board of Directors and Executive Board are not disclosed.

3 Financial income

| | | |
|------------------------|----------|-----------|
| Foreign exchange gains | 0 | 4 |
| Other interest income | 0 | 90 |
| | <u>0</u> | <u>94</u> |

4 Financial expenses

| | | |
|------------------------------------|------------|--------------|
| Interest expense to group entities | 635 | 1.539 |
| Foreign exchange losses | 72 | 0 |
| Other interest expense | 59 | 16 |
| | <u>766</u> | <u>1.555</u> |

5 Tax on loss for the year

| | | |
|--------------------------------------|----------|----------|
| Current tax for the year | 0 | 0 |
| Deferred tax adjustment for the year | 0 | 0 |
| | <u>0</u> | <u>0</u> |

Financial statements 1 January – 31 December

Notes

6 Property, plant and equipment

| DKK'000 | Land and buildings | Plant and machinery | Fixtures and fittings, tools and equipment | Property, plant and equipment under construction | Total |
|--|--------------------|---------------------|--|--|----------|
| Cost at 1 January 2019 | 12.136 | 4.342 | 825 | 557 | 17.860 |
| Additions | 0 | 0 | 0 | 115 | 115 |
| Transferred | 0 | 0 | 64 | -64 | 0 |
| Disposals | -12.136 | -4.342 | -889 | -608 | -17.975 |
| Cost at 31 December 2019 | 0 | 0 | 0 | 0 | 0 |
| Depreciation and impairment losses at 1 January 2019 | 5.136 | 3.603 | 517 | 0 | 9.256 |
| Impairment losses | 0 | 0 | 0 | 0 | 0 |
| Depreciation | 853 | 350 | 118 | 0 | 1.321 |
| Depreciation on disposals | -5.989 | -3.953 | -635 | 0 | -10.577 |
| Depreciation and impairment losses at 31 December 2019 | 0 | 0 | 0 | 0 | 0 |
| Carrying amount at 31 December 2019 | 0 | 0 | 0 | 0 | 0 |

Financial statements 1 January – 31 December

Notes

7 Share capital

The share capital consists of 500 certificates of DKK 1.000. The shares have not been divided into classes.

8 Warranty commitments

| DKK'000 | 2019 | 2018 |
|---|--------------|--------------|
| Warranty commitments at 1 January | 1.101 | 1.655 |
| Change for the year | 2.037 | -554 |
| Warranty commitments at 31 December | 3.138 | 1.101 |
| The provisions are expected to be activated as follows: | | |
| 0-1 years | 1.569 | 551 |
| 1-5 years | 1.569 | 550 |
| >5 years | 0 | 0 |
| Other provisions at 31 December | 3.138 | 1.101 |

Warranty commitments comprise commitments typically relating to 1-2 year's warranty for refurbished products for wind turbines.

9 Non-current liabilities other than provisions

Non-current liabilities other than provisions can be specified as follows:

| | | |
|--|--------------|---------------|
| Lease obligations: | | |
| 0-1 years | 0 | 104 |
| 1-5 years | 0 | 0 |
| >5 years | 0 | 0 |
| Payables to group entities: | | |
| 0-1 years | 854 | 491 |
| 1-5 years | 6.146 | 0 |
| >5 years | 0 | 33.512 |
| Total non-current liabilities other than provisions | 7.336 | 34.211 |

Collateral is disclosed in note 11.

Financial statements 1 January – 31 December

Notes

10 Contractual obligations, contingencies, etc.

Contractual obligations

The Company has entered into management fee contract with parent company, the contract can be terminated with 3 months notice and is settled accordingly to accounts.

Contingent liabilities

The Company is jointly and severally liable with the other jointly taxed Group companies for tax on consolidated taxable income and for certain withholding taxes such as withholding tax and royalty tax.

11 Mortgages and collateral

No assets have been provided as collateral of debts.

12 Related party disclosures Connected Wind Services Refurbishment A/S' related parties comprise the following:

Control

Connected Wind Services A/S, Nyballevej 8, 8444 Balle

Connected Wind Services A/S holds the majority of the contributed capital in the Company.

Connected Wind Services Refurbishment A/S is part of the consolidated financial statements of EnBw Energie Baden-Württemberg AG, Karlsruhe, which is the smallest and largest group, in which the Company is included as a subsidiary.

The consolidated financial statements of EnBw Energie Baden-Württemberg AG and the consolidated financial statements of EnBw Energie Baden-Württemberg AG can be obtained on www.EnBw.com.

Related party transactions

Pursuant to section 98c(7) of the Danish Financial Statements Act, the Company has not disclosed related party transactions as these have been carried out on an arm's length basis.

Penneo

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registreret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Morten Lund

Dirigent

På vegne af: Connected Wind Services Refurbishment A/S

Serienummer: PID:9208-2002-2-879317242274

IP: 178.157.xxx.xxx

2020-04-08 09:36:44Z

NEM ID 

Christian Joeker

Statsautoriseret revisor

På vegne af: Ernst & Young P/S

Serienummer: CVR:30700228-RID:1267084545534

IP: 83.74.xxx.xxx

2020-04-08 09:46:44Z

NEM ID 

Jes Østergaard Lauritzen

Statsautoriseret revisor

På vegne af: ERNST & YOUNG P/S

Serienummer: PID:9208-2002-2-767513552340

IP: 77.68.xxx.xxx

2020-04-08 09:52:38Z

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