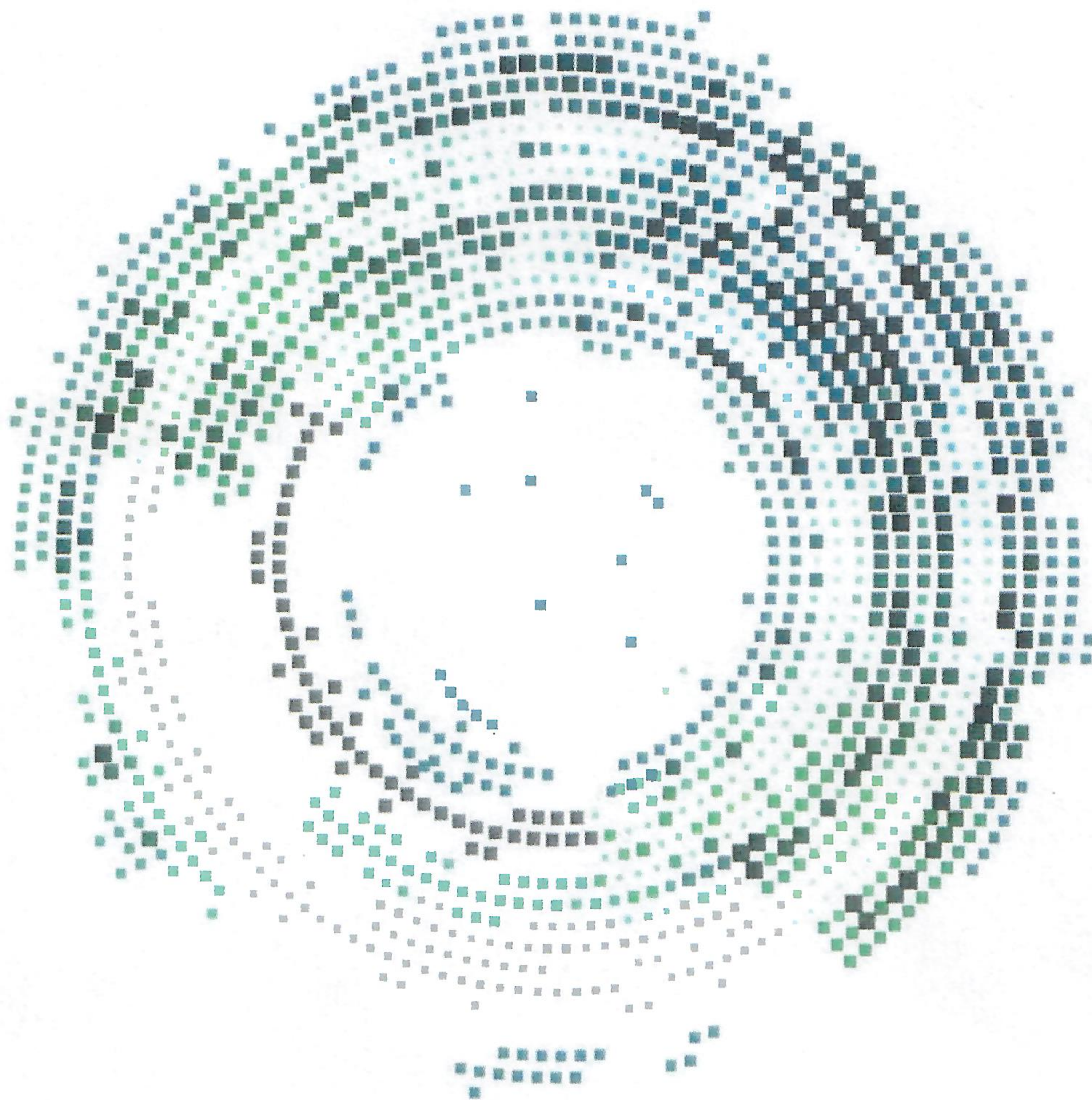


# Deloitte.



## **KKWSH ApS**

Bøgildvej 3  
7430 Ikast  
CVR No. 38173766

## **Annual report 2019**

The Annual General Meeting adopted the  
annual report on 16.04.2020

A handwritten signature in blue ink, consisting of a stylized 'A' followed by a long, sweeping horizontal stroke that ends in a small loop.

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**Allan Gabriel Zandberg**  
Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2019	8
Balance sheet at 31.12.2019	9
Statement of changes in equity for 2019	11
Accounting policies	14

# Entity details

## Entity

KKWSH ApS

Bøgildvej 3

7430 Ikast

CVR No.: 38173766

Registered office: Ikast-Brande

Financial year: 01.01.2019 - 31.12.2019

## Board of Directors

Jan Thorsgaard Nielsen, Chairman

Simon Krogsgaard Ibsen

Morten Stakroge

## Executive Board

Simon Krogsgaard Ibsen, CEO

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of KKWSH ApS for the financial year 01.01.2019 - 31.12.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Ikast, 16. April 2020

## Executive Board



**Simon Krogsgaard Ibsen**  
CEO

## Board of Directors



**Jan Thorsgaard Nielsen**  
Chairman



**Morten Stakroge**



**Simon Krogsgaard Ibsen**

# Independent auditor's report

## To the shareholders of KKWSH ApS

### Opinion

We have audited the financial statements of KKWSH ApS for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 requirements. 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Aarhus, 16. April 2020

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556



**Henrik Vedel**

State Authorised Public Accountant  
Identification No (MNE) mne10052



**Jacob Tækker Nørgaard**

State Authorised Public Accountant  
Identification No (MNE) mne40049

# Management commentary

## Primary activities

KKWSH ApS serves after the merger between KK Wind Solutions Holding ApS, Stormgade II ApS and Stormgade I ApS, as the parent company of the company KK Group A/S.

The company has previously served as the top management body in the Group, and has performed group and management tasks for the rest of the Group. This activity has been moved to another group company in 2019. There is no further activity in the company.

## Development in activities and finances

The company was merged with Stormgade II ApS and Stormgade I ApS with effect from the beginning of the year using the book value method hence comparative figures have not been adjusted. The name was changed from KK Wind Solutions Holding ApS, to KKWSH ApS. The company is no longer the ultimate Holding company of the group.

The company was during the year acquired by the A.P. Møller Holding Group and debt amounting to 1,734 mDKK was repaid in connection to the acquisition and related funding and new debt of 2,100 mDKK was established as part of the process.

## Profit/loss for the year in relation to expected developments

KKWSH ApS achieved a loss of 56 mDKK after tax in the 2019 financial year, compared to a result after tax of -16k in 2018. The result is not satisfactory.

## Particular risks

KKWSH ApS has no specific risks besides what is common to the industry. For further information, please refer to the consolidated financial statements.

## Events after the balance sheet date

No events have occurred after the balance sheet date which would influence the evaluation of the annual report. The outbreak and spread of COVID-19 at the beginning of 2020 has not had and is not expected to have any significant impact on the Company's financial position and development.



# Income statement for 2019

	Notes	2019 DKK'000	2018 DKK'000
<b>Gross profit/loss</b>		<b>3,752</b>	<b>0</b>
Administrative expenses		(13,107)	(359)
<b>Operating profit/loss</b>		<b>(9,355)</b>	<b>(359)</b>
Other financial expenses		(57,086)	(1,260)
<b>Profit/loss before tax</b>		<b>(66,441)</b>	<b>(1,619)</b>
Tax on profit/loss for the year		10,161	206
<b>Profit/loss for the year</b>		<b>(56,280)</b>	<b>(1,413)</b>
<b>Proposed distribution of profit and loss</b>			
Ordinary dividend for the financial year		10,000	0
Retained earnings		(66,280)	(1,413)
<b>Proposed distribution of profit and loss</b>		<b>(56,280)</b>	<b>(1,413)</b>

## Balance sheet at 31.12.2019

### Assets

	Notes	2019 DKK'000	2018 DKK'000
Investments in group enterprises		1,225,018	544,750
Receivables from group enterprises		0	294,234
<b>Other financial assets</b>	3	<b>1,225,018</b>	<b>838,984</b>
<b>Fixed assets</b>		<b>1,225,018</b>	<b>838,984</b>
Receivables from group enterprises		111,304	0
Income tax receivable		45,278	206
<b>Receivables</b>		<b>156,582</b>	<b>206</b>
<b>Cash</b>		<b>303</b>	<b>6,687</b>
<b>Current assets</b>		<b>156,885</b>	<b>6,893</b>
<b>Assets</b>		<b>1,381,903</b>	<b>845,877</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019</b> <b>DKK'000</b>	<b>2018</b> <b>DKK'000</b>
Contributed capital		50,578	50,578
Retained earnings		163,306	501,271
Proposed dividend		10,000	0
<b>Equity</b>		<b>223,884</b>	<b>551,849</b>
Bank loans		1,093,833	293,233
<b>Non-current liabilities other than provisions</b>	<b>4</b>	<b>1,093,833</b>	<b>293,233</b>
Bank loans		196	0
Trade payables		18	0
Payables to group enterprises		44,021	598
Other payables		19,951	197
<b>Current liabilities other than provisions</b>		<b>64,186</b>	<b>795</b>
<b>Liabilities other than provisions</b>		<b>1,158,019</b>	<b>294,028</b>
<b>Equity and liabilities</b>		<b>1,381,903</b>	<b>845,877</b>
Events after the balance sheet date	1		
Staff costs	2		
Contingent liabilities	5		
Assets charged and collateral	6		
Related parties with controlling interest	7		
Group relations	8		

## Statement of changes in equity for 2019

	<b>Contributed capital DKK'000</b>	<b>Retained earnings DKK'000</b>	<b>Proposed dividend DKK'000</b>	<b>Total DKK'000</b>
Equity beginning of year	50,578	501,271	0	551,849
Effect of mergers and business combinations	0	33,893	0	33,893
Extraordinary dividend paid	0	(305,000)	0	(305,000)
Fair value adjustments of hedging instruments	0	(578)	0	(578)
Profit/loss for the year	0	(66,280)	10,000	(56,280)
<b>Equity end of year</b>	<b>50,578</b>	<b>163,306</b>	<b>10,000</b>	<b>223,884</b>

### 1 Events after the balance sheet date

No events have occurred after the balance sheet date which would influence the evaluation of the annual report. The outbreak and spread of COVID-19 at the beginning of 2020 has not had and is not expected to have any significant impact on the Company's financial position and development.

### 2 Staff costs

	2019 DKK'000	2018 DKK'000
Wages and salaries	5,356	0
Other social security costs	13	0
	<b>5,369</b>	<b>0</b>
Number of employees at balance sheet date	<b>2</b>	<b>0</b>
Average number of full-time employees	<b>2</b>	<b>0</b>

### 3 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	544,750
Addition through business combinations etc	680,268
<b>Cost end of year</b>	<b>1,225,018</b>
<b>Carrying amount end of year</b>	<b>1,225,018</b>

### 4 Non-current liabilities other than provisions

	Due after more than 12 months 2019 DKK'000
Bank loans	1,093,833
	<b>1,093,833</b>

### 5 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where A.P. MØLLER HOLDING A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for interests, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

### 6 Assets charged and collateral

KKWSH ApS has issued a surety guarantee and pledged investments in subsidiaries for all balances and banks. The book value of debt to banks in the KKWSH ApS Group amounts to DKK 1.094.029. The book value of

investments in group enterprises comprise DKK 1.225.018.

### **7 Related parties with controlling interest**

Related parties of KKWSH ApS comprise the parent company A.P. Møller Holding A/S, and its subsidiaries and the Board of Executive of KKWSH ApS and the registered Executive Board in A.P. MØLLER OG HUSTRU CHASTINE MC-KINNEY MØLLERS FOND TIL ALMENE FORMAAL.

Transactions with related parties are only disclosed in the financial statements if they are not on arm's length terms. Transactions between KKWSH ApS and related parties are on arm's length terms.

### **8 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
A.P. MØLLER OG HUSTRU CHASTINE MC-KINNEY MØLLERS FOND TIL ALMENE FORMAAL, København K, Business Registration No. 11666779.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
KK Wind Solutions Holding A/S, Ikast, Business Registration No. 39067048.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

## Consolidated financial statements

Referring to section § 112, 1 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

## Non-comparability

The comparable figures comprises only former company KK Wind Solutions Holding ApS (now KKWSH ApS) before merger with Stormgade I ApS and Stormgade II ApS.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Business combinations

Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life. If it is not possible to estimate a reliable useful life, the useful life is set at 10 years. The useful life is reassessed annually.

The book value method is applied on acquisition of enterprises, mergers, demergers, contributions of assets and exchanges of shares, etc where the enterprises concerned are controlled by the Parent. Under book value method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity. The comparative figures are not restated.

#### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

#### **Derivative financial instruments**

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

#### **Income statement**

##### **Revenue**

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

##### **Administrative expenses**

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

##### **Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

##### **Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).



## Balance sheet

### Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

### Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

### Cash

Cash comprises cash in hand and bank deposits.

### Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

### Other financial liabilities

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