

Muehlhan Wind Service A/S

Navervej 10
Snoghøj
7000 Fredericia
CVR no. 38 56 81 83

Annual report for 2023

Adopted at the annual general
meeting on 27 June 2024

Thomas Toft
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Muehlhan Wind Service A/S for the financial year 1 January - 31 December 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 company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

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

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

Fredericia, 27 June 2024

Executive board

Søren Høffer
CEO

Heidi Thousgaard Terrvik
CFO

Supervisory board

Roy Trøen Nedal
chairman

Stefan Ove Karl Hougaard

Thorsten Hell

Independent auditor's report

To the shareholder of Muehlhan Wind Service A/S

Opinion

We have audited the financial statements of Muehlhan Wind Service A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 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 requirements and 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 the 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 audit. We also:

Independent auditor's report

- 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.

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.

Independent auditor's report

Based on the work we have performed, we conclude that 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 of management's review.

Copenhagen, 27 June 2024

Grant Thornton
Godkendt Revisionspartnerselskab
CVR no. 34 20 99 36

Kim Kjellberg
statsautoriseret revisor
mne29452

Company details

The company

Muehlhan Wind Service A/S
Navervej 10
Snoghøj
7000 Fredericia

CVR no.: 38 56 81 83

Reporting period: 1 January - 31 December 2023

Incorporated: 11 april 2017

Financial year: 7th financial year

Domicile: Fredericia

Supervisory board

Roy Trøen Nedal, chairman
Stefan Ove Karl Hougaard
Thorsten Hell

Executive board

Søren Høffer, CEO
Heidi Thousgaard Terrvik, CFO

Auditors

Grant Thornton
Godkendt Revisionspartnerselskab
Stockholmegade 45
2100 København Ø

Consolidated financial statements

The company is reflected in the group report as the parent company Muehlhan Holding GmbH, with home address at Schlinckstrasse 3 D-21107 Hamburg, Germany, where the consolidated financial statements can be obtained.

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2023	2022	2021	2020	2019
	TEUR	TEUR	TEUR	TEUR	TEUR
Key figures					
Revenue	151,172	91,253	59,486	36,605	19,076
Gross profit	49,823	25,273	17,550	10,266	6,445
Profit/loss before net financials	13,702	5,627	3,129	2,642	553
Net financials	-1,982	-1,021	-397	-326	-187
Profit/loss for the year	8,926	3,647	2,027	1,815	303
Balance sheet total	118,793	32,387	28,066	14,375	8,519
Investment in property, plant and equipment	399	3,203	1,595	1,482	783
Equity	39,248	7,991	4,782	2,269	495
Financial ratios					
Return on assets	18.1%	18.6%	14.7%	23.1%	3.3%
Solvency ratio	33.0%	24.7%	17.0%	15.8%	5.8%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.

Management's review

Business review

The main activity of the company is overall installation, service and maintenance of wind turbine generators.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any significant uncertainty.

Unusual matters

The company's financial position at 31 December 2023 and the results of its operations for the financial year ended 31 December 2023 are not affected by any unusual matters.

Financial review

The company's income statement for the year ended 31. december 2023 shows a profit of TEUR 8,926, and the balance sheet at 31 December 2023 shows equity of TEUR 39,248.

The result for the year is in line with the expectations set for the financial year 2023, which was a growth in both revenue and profit. Management considers the result as satisfactory.

Significant events occurring after the end of the financial year

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

Expected development of the company, including specific prerequisites and uncertainties

Contracts in place as well as discussions with customers indicate that 2024 business volume and results will be a bit lower than 2023. This is not a surprise to management, as it has been known for a relatively long time that the activity related to new offshore installations is lower in 2024.

The situation in Ukraine currently has no direct impact on projects being managed by the Company, however, the supply chain of certain customers could at some point in time be affected by the situation.

The company's knowledge resources if of particular importance to its future earnings

The company know-how consists of knowledge accumulated in processes, techniques and systems applied when rendering services to customers.

Research and development activities in or for the company

The company is not significantly dependent on research, but in having close relations with handpicked partners, the company continuously creates innovative global solutions which will result in improved business reach.

Foreign branches

The company has branches in UK, Sweden, Germany, Taiwan, Poland & France. Annual accounts are presented separately by each branch, and management considers these satisfactory.

Management's review

Statutory corporate social responsibility report

The company cares about the environment and climate.

The company is certified in accordance with ISO 9001, 14001, 18001 and in accordance with Achilles.

As a certified company, annual targets are defined for improving quality, safety and the environment, and a constant effort is made to reduce environmental impact in offices and workplaces. The company encourages the development and diffusion of technologies that promote environmentally sound solutions, both internally and together with its customers and other stakeholders. In addition, the company is very aware that the employees are always trained to perform their tasks in an environmentally responsible manner.

Description of the company's business model

Revenue is generated in Denmark and the rest of the world and consists of sales of installation, service and maintenance of wind turbine generators. The company's customers are exclusively professional players in the aforementioned types of business, and the vision is to be the preferred wind turbine installation & service partner – with global reach and local expertise. We aim to have a good balance between installation work and O&M work. In the ideal world we desire to have minimum 40% and maximum 60% of our annual revenue in either of the two, and in 2023 we managed to stay within those ranges. In both installation work and O&M work, project management and tight execution is what we offer and deliver to our customers - thereby we help keep the cost of energy from wind turbines as competitive as possible, and we enable well paid and meaningful jobs for our many colleagues and business partners.

Description of the most critical risks associated with the company's business activities

The company is dependent on demand for the main activities, which determines the revenue and income of its business lines. However, with its wide range of products the company cultivates a number of markets that are subject to different demand cycles. Risks in certain sectors and regions can affect the earnings of individual business lines, although they tend to be of lesser significance to the comprehensive income of the company. One of the key responsibilities of the Management Board of the Muehlhan Group is risk management and the systematic, early detection of risks to its portfolio. A comprehensive system of rules with clear responsibilities and instructions ensures that the management Board is notified of key developments continuously and promptly.

The company trades in the main currencies DKK, EUR and GBP, and as the purchase of goods and costs occur in the same currencies, the company's total impact from currency fluctuations is not deemed material.

Management's review

Description of the company's corporate social responsibility policies

Description of other corporate social responsibility policies

Description of the company's corporate social responsibility standards, guidelines and principles:

As part of the Muehlhan Group, the company is subject to and follows the implemented policies in "Code of Conduct", "Compliance Moral and Honest Conduct" and "Policy Muehlhan Group" which describes in detail the group's handling of corporate social responsibility, including human rights, environment, climate, social and working conditions, as well as anticorruption and bribery. Via the Muehlhan Group's Integrated Management System and management evaluations / audits, according to ISO certification, continuous follow up of goals already set is controlled as well as setting up new ones.

Corporate social responsibility is a core area in the company and helping direct behavior in several different aspects. We have been taking several initiatives relevant to our CSR (and ESG) performance. As an example, we have been installing driving performance monitoring in our fleet of corporate vans, which supports initiatives around safe driving (i.e. preventing accidents) and at the same time helps and guides drivers around efficient driving and thus lowering emissions. Also related to emissions we have been running trials with hybrid generators in our Onshore business unit, i.e. substituting fossil fuels with renewable energy.

At Muehlhan Wind Service we take pride in being part of an industry, which in our view represent part of the solution to one of the biggest challenges we are all facing, i.e. global warming and resulting climate changes. Having said that, we fully recognize that even though our industry is part of the solution, we also fully own up to our obligation to continuously reduced our direct impact on climate change and we are dedicated to integrating sustainability into every aspect of our operations. In 2023 alone we have played a significant role in the installation of more 1.8 GW of offshore wind in European waters, and thereby playing our role in enabling more than 1,5 million households "going green".

Our customers are obviously also interested in and supportive of our CSR activities, and we are pleased to report that we have completed an Ecovadis assessment at the request of and in collaboration with a strategic customer. The outcome of the assessment is still pending, however, we are convinced that this will create a solid guidance of future activities in this space.

Management's review

Policies on the underrepresented gender

Other management levels

Statement of the policy to increase the percentage of underrepresented gender

Primary actions for fulfillment of target figure

The company strives to ensure that a minimum of 25% of the board members elected by the general meeting of the company must be women. Status at the end of 2023 is that none of the company's board members are women.

The target is that 25% of the board is women. The time horizon for reaching the target figure is the year 2025, as no replacement or extension of the Board of Directors is expected before then.

We strive to have the strongest organization to run and develop the company at all times. We believe that diversity among other things helps to strengthen this. Our goal is that at least 30% of our managers are women. Among our managers women are represented with 40% and this meets the target figure.

In connection with recruitment and recruitment for positions in the company, the goal is that there should be both male and female candidates, despite operating in a world characterized by men. The principle applies to both internal and external job postings. The company has also conducted a review of terms of employment to assess obstacles and opportunities in relation to promoting the underrepresented gender.

Statement of policy for data ethics

Description of the entity's work with and policy for data ethical questions

The company is committed to being transparent about how it collect and use the personal data of the workforce and others, and to meeting the data protection obligations. Procedures are in place to set out the commitment to data protection and individual rights and obligations in relation to personal data.

Accounting policies

The annual report of Muehlhan Wind Service A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied are consistent with those of last year.

The annual report for 2023 is presented in TEUR.

Pursuant to sections §112, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

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

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

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

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

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

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

Income statement

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Income from customised products is recognised as production is carried out, implying that revenue corresponds to the selling price of contracts completed in the year (percentage-of-completion method). This method is applied where the total income and expenses relating to the contract and the stage of completion at the balance sheet date can be estimated reliably and it is probable that future economic benefits will flow to the Company.

Accounting policies

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised at the costs incurred insofar as they are likely to be recovered.

Other operating income

The item Other operating income includes items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the company is going to be indemnified.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the company's activities, including losses on the sale of intangible assets and items of property, plant and equipment.

Other external expenses

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

Staff costs

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

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances, etc.

Income from investments in subsidiaries, associates and participating interests

Dividend from investments is recognised in the reporting year in which the dividend is declared.

Dividend from participating interests is recognised in the financial year in which the dividend is declared.

Tax on profit/loss for the year

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Accounting policies

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

Balance sheet

Tangible assets

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

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

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

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

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-100 %

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

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

Investments in subsidiaries, associates and participating interests

Investment in subsidiaries, associates and participating interests are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

Accounting policies

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Contract work in progress

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

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

Income tax and deferred tax

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

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

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

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

Accounting policies

Cash flow statement

No cash flow statement has been prepared for the parent company, as the parent company's cash flows are included in the consolidated cash flow statement, see section 86(4) of the Danish Financial Statements Act.

Financial Highlights

Definitions of financial ratios.

Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$

Income statement 1 January - 31 December

	Note	2023 TEUR	2022 TEUR
Revenue	1	151,172	91,253
Other operating income		1,617	144
Other external expenses		-102,966	-66,124
Gross profit		49,823	25,273
Staff costs	2	-34,723	-19,413
Profit/loss before amortisation/depreciation and impairment losses		15,100	5,860
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-171	-146
Other operating costs		-1,227	-87
Profit/loss before net financials		13,702	5,627
Income from investments in subsidiaries		97	0
Financial income	3	54,011	35
Financial costs	4	-56,090	-1,056
Profit/loss before tax		11,720	4,606
Tax on profit/loss for the year	5	-2,794	-959
Profit/loss for the year		8,926	3,647
Distribution of profit	6		

Balance sheet 31 December

	Note	2023 TEUR	2022 TEUR
Assets			
Other fixtures and fittings, tools and equipment	7	6,919	6,810
Tangible assets		6,919	6,810
Investments in subsidiaries	8	32,381	0
Other receivables	9	147	302
Deposits	9	174	105
Contract assets	9	24,933	0
Fixed asset investments		57,635	407
Total non-current assets		64,554	7,217
Trade receivables		14,766	10,714
Contract work in progress	10	10,903	5,871
Receivables from group entities		12,956	3,606
Other receivables		1,980	1,435
Deferred tax asset	12	0	25
Prepayments	11	1,342	596
Current contract assets		8,976	0
Receivables		50,923	22,247
Cash at bank and in hand		3,316	2,923
Total current assets		54,239	25,170
Total assets		118,793	32,387

Balance sheet 31 December

	Note	2023 TEUR	2022 TEUR
Equity and liabilities			
Share capital		417	302
Retained earnings		38,831	7,689
Equity		39,248	7,991
Provision for deferred tax	12	207	0
Other provisions	13	1,169	2,334
Total provisions		1,376	2,334
Other payables		0	155
Contract liabilities		24,693	0
Total non-current liabilities		24,693	155
Other credit institutions		2,520	1,930
Prepayments received from customers		343	124
Trade payables		6,228	6,957
Payables to group entities		26,286	9,366
Corporation tax		3,109	853
Other payables		2,973	2,677
Contract liabilities		12,017	0
Total current liabilities		53,476	21,907
Total liabilities		78,169	22,062
Total equity and liabilities		118,793	32,387
Contingent liabilities	14		
Related parties and ownership structure	15		
Fee to auditors appointed at the general meeting	16		

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2023	302	0	7,689	7,991
Exchange adjustments	0	0	-20	-20
Increase of capital by conversion of debt	115	20,995	0	21,110
Net profit/loss for the year	0	0	8,926	8,926
Transfer from share premium account	0	-20,995	20,995	0
Contribution from group	0	0	1,241	1,241
Equity at 31 December 2023	417	0	38,831	39,248

Notes

	<u>2023</u>	<u>2022</u>
	TEUR	TEUR
1 Revenue		
Executed work	146,252	86,438
Cash discounts	-49	-10
Work in progress, change	<u>4,969</u>	<u>4,825</u>
Total revenue	<u><u>151,172</u></u>	<u><u>91,253</u></u>

The company has refrained from providing segment and geographic information, as the company only has one business segment regarding turnkey solutions for the installation of individual wind turbines and/or wind farms as well as their service.

	<u>2023</u>	<u>2022</u>
	TEUR	TEUR
2 Staff costs		
Wages and salaries	28,311	16,109
Pensions	1,176	605
Other social security costs	2,385	704
Other staff costs	<u>2,851</u>	<u>1,995</u>
	<u><u>34,723</u></u>	<u><u>19,413</u></u>

Including remuneration to the executive boards	<u><u>995</u></u>	<u><u>0</u></u>
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Number of fulltime employees on average	<u>382</u>	<u>159</u>
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No comparatives has been stated as section 98 B(3) of the Danish Financial Statements Act where applied in the comparative year.

	<u>2023</u>	<u>2022</u>
	TEUR	TEUR
3 Financial income		
Interest received from group entities	180	3
Other financial income	225	3
Exchange gains	84	29
Interest income put/call options	<u>53,522</u>	<u>0</u>
	<u><u>54,011</u></u>	<u><u>35</u></u>

Notes

	2023 TEUR	2022 TEUR
4 Financial costs		
Financial expenses, group entities	1,420	644
Other financial costs	1,434	243
Exchange loss	213	169
Financial expenses put/call options	53,023	0
	56,090	1,056
5 Tax on profit/loss for the year		
Current tax for the year	2,636	992
Deferred tax for the year	232	-23
Adjustment of tax concerning previous years	-74	-10
	2,794	959
6 Distribution of profit		
Extraordinary dividend for the year	0	1,080
Retained earnings	8,926	2,567
	8,926	3,647
7 Tangible assets		
		Other fixtures and fittings, tools and equipment
Cost at 1 January 2023		7,082
Additions for the year		399
Disposals for the year		-175
Cost at 31 December 2023		7,306
Impairment losses and depreciation at 1 January 2023		292
Depreciation for the year		171
Reversal of impairment and depreciation of sold assets		-76
Impairment losses and depreciation at 31 December 2023		387
Carrying amount at 31 December 2023		6,919

Of the book value of Other fixtures and fittings, tools and equipment, EUR 6 million contains of re-certification equipment that do not undergo impairment.

Notes

	2023 TEUR	2022 TEUR
8 Investments in subsidiaries		
Cost at 1 January 2023	0	0
Additions for the year	32,381	0
Cost at 31 December 2023	32,381	0
Revaluations at 1 January 2023	0	0
Revaluations at 31 December 2023	0	0
Carrying amount at 31 December 2023	32,381	0

Investments in subsidiaries are specified as follows:

Name	Registered office	Share capital	Ownership interest	Equity	Profit/loss for the year
Muehlhan Wind Service B.V.	Vlaardingen	10.00	100%	1,013	270
Renewable Oil Services Ltd.	Stewarton	0.23	75%	2,852	515
GreenTec Workforce Solutions ApS	Fredericia	5.37	75%	117	37
3W Industri Service ApS	Munkebo	6.71	50.1%	947	463
Muehlhan Wind Service Portugal	Porto	5.00	100%	-85	-91
Muehlhan Wind Service Taiwan Co. Ltd.	Taipei	147.61	100%	148	0
Force 4 Wind Ltd.	London	0.12	100%	2	-125
MWS US Holdings Inc.	Oklahoma City	0.00	100%	248	45
Professional Wind Services Pty Ltd.	Adelaide	0.04	80%	4,530	49
Muehlhan Wind Service South Korea	Seoul	110.62	100%	86	-25

Notes

9 Fixed asset investments

	<u>Other receivables</u>	<u>Deposits</u>	<u>Contract assets</u>
Cost at 1 January 2023	301	105	0
Additions for the year	0	69	24,933
Disposals for the year	<u>-154</u>	<u>0</u>	<u>0</u>
Cost at 31 December 2023	<u>147</u>	<u>174</u>	<u>24,933</u>
Carrying amount at 31 December 2023	<u>147</u>	<u>174</u>	<u>24,933</u>

Contract assets contains call options, that without reasonable doubt, are exercised. The call options are recognised at acquisition cost and are subsequently measured at fair value, with changes in fair value recognised in the income statement.

	<u>2023</u>	<u>2022</u>
	TEUR	TEUR
10 Contract work in progress		
Work in progress, selling price	<u>10,903</u>	<u>5,871</u>

Recognised in the balance sheet as follows:

Contract work in progress under assets	10,903	5,871
Prepayments received under liabilities	<u>0</u>	<u>0</u>
	<u>10,903</u>	<u>5,871</u>

11 Prepayments

Prepayments comprise prepaid expenses regarding rent, insurance premiums, subscriptions and interest.

Notes

	2023 TEUR	2022 TEUR
12 Provision for deferred tax		
Provision for deferred tax at 1 January 2023	-25	-2
Deferred tax recognised in income statement	232	-23
Provision for deferred tax at 31 December 2023	207	-25
Provisions for deferred tax on:		
Property, plant and equipment	7	-2
Trade receivables	161	-2
Other receivables	39	131
Tax loss carry-forward	0	-152
Transferred to deferred tax asset	0	25
	207	0
Deferred tax asset		
Calculated tax asset	0	25
Carrying amount	0	25
13 Other provisions		
Balance at beginning of year at 1 January 2023	2,334	842
Exchange adjustment	-6	0
Provision in year	35	1,492
Applied in the year	-1,194	0
Balance at 31 December 2023	1,169	2,334

Other provisions of kEUR 827 (2022: kEUR 2,021) have been recognized for expected warranty claims based on previous experience regarding the level of repairs and returned goods. In addition, other provisions consist of provisions for damages and extra costs on leased cars of kEUR 342 (2022; kEUR 313).

Notes

14 Contingent liabilities

The company has entered into operational leasing contracts with a total outstanding leasing payment of kEUR 972

The company is jointly taxed with its parent company, Muehlhan A/S (management company), and jointly and severally liable with the other jointly taxed entities for payment of income taxes and withholding taxes on dividends, interest and royalties. Reference is made to the management company for the total joint taxation obligation.

15 Related parties and ownership structure

Controlling interest

The company's parent company, Muehlhan A/S, has controlling influence.

Transactions

According to the danish financial statements act § 98c, 7, it is stated that during the year, the company has been trading with related parties. All transactions are completed under normal market conditions.

Ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

Muehlhan A/S, Navervej 10, 7000 Fredericia, Danmark

Consolidated financial statements

The company is reflected in the group report as the parent company Muehlhan Holding GmbH, with home adress at Schlinckstrasse 3 D-21107 Hamburg, Germany, where the consolidated financial statements can be obtained.

16 Fee to auditors appointed at the general meeting

According to the Danish Financial Statements Act, § 96.3, the company has chosen not to disclose information on fee to auditors appointed at the general meeting, as the company is included in the consolidated financial statements of Muehlhan Holding GmbH upon full consolidation.