

Flex Wind A/ S

Lysholt Allé 8, 7100 Vejle

CVR no. 39 19 19 03

Annual report 2023

Approved at the Company's annual general meeting on 4 April 2024

Chair of the meeting:

.....
Henrik Schaar

The following is a translation of an original Danish document. The original Danish document is the governing document for all purposes, and in case of any discrepancy, the Danish wording will be applicable.

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Flex Wind 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 financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Vejle, 4 April 2024
Executive Board:

.....
Ole Kastrup Bridal

Board of Directors:

.....
Henrik Schaar
Chairman

.....
Ole Kastrup Bridal

.....
Pernille Fløjgaard

.....
Thomas Nagbøl Mejlgård

Independent auditor's report

To the shareholders of Flex Wind A/S

Opinion

We have audited the financial statements of Flex Wind A/S for the financial year 1 January - 31 December 2023, which comprise 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 financial position of the Company 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 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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 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 the financial statements.

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent auditor's report

- ▶ 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 note 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, 4 April 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Tom B. Lassen
State Authorised Public Accountant
mne24820

Tobias Oppermann
State Authorised Public Accountant
mne46362

Management's review

Company details

Name	Flex Wind A/S
Address, Postal code, City	Lysholt Allé 8, 7100 Vejle
CVR no.	39 19 19 03
Established	21 December 2017
Registered office	Vejle
Financial year	1 January - 31 December
Board of Directors	Henrik Schaar, Chairman Ole Kastrup Bridal Pernille Fløjgaard Thomas Nagbøl Mejlgård
Executive Board	Ole Kastrup Bridal
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Financial highlights

DKK	2023	2022	2021	2020	2019
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Key figures

Gross profit	31,209,556	5,366,828	13,625,315	12,199,560	958,572
Operating profit/loss	-2,067,076	-13,975,771	-7,978,663	-9,546,615	-5,087,069
Net financials	-2,772,791	3,306,903	-583,886	-870,793	-558,263
Profit/loss for the year	2,638,674	-2,470,064	9,234,927	11,674,202	7,573,274

Total assets	112,593,910	100,421,203	93,861,898	42,750,037	23,212,134
Investments in property, plant and equipment	2,039,644	6,832,557	6,032,660	1,268,272	15,200
Equity	17,338,823	22,421,962	28,105,848	20,078,766	12,016,114

Financial ratios

Current ratio	75.6%	97.7%	102.3%	127.9%	185.7%
Equity ratio	15.4%	22.3%	29.9%	47.0%	51.8%
Return on equity	13.3%	-9.8%	38.3%	72.7%	115.9%

Average number of full-time employees	21	14	26	17	6
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For terms and definitions, please see the accounting policies.

Management's review

Business review

The Company mainly operates within installation, repair and maintenance of wind turbines in Europe and Latin America.

Financial review

Activity for 2023 increased 45 % due to increasing activities within the industry, as well as gaining additional market shares in the European market. However, 2023 profitability is negatively impacted by the devaluation of the Argentinian pesos in December 2023 following the presidential election in the country.

Impact on the external environment

The Company wishes to behave responsibly on environmental and climate issues and therefore tries to take climate and the environment into account in the ongoing operations. It is the objective of Flex Wind to be an environmentally conscious company and partner. In order to achieve this goal, we will contribute to a sustainable development by reducing waste and energy consumption as well as continuously improving the environmental considerations within the Group.

We will increase the employees' environmental awareness, place demands on our suppliers, focus on resource consumption, ensure a correct disposal as well as provide a sound working environment. We have environmentally minded employees.

We wish to continuously broaden our employees' resource and environmental awareness through information about environmental initiatives together with providing the necessary education and training.

Research and development activities

The development of the company's activity base depends on our employees thriving as well as their continued competence development. To be able to attract and retain competent employees, continuous investment is made in internal and external training of employees and the development of a good work environment.

Outlook

The Company's activity for 2024 is expected to increase by approx. 25-40% due to the continued growth in the Company's core markets in Europe and Latin America. On this basis, a profit in the range of DKK 10-15m is expected for 2024. The expectations assume that the exchange rates for the currencies to which the Company is exposed will remain unchanged. Cash generated from operations in 2024 is expected to be positive because of the expected profit growth.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2023	2022
	Gross profit	31,209,556	5,366,828
2	Staff costs	-21,216,380	-10,801,767
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-4,004,352	-2,757,217
	Other operating expenses	-186,046	-31,667
	Profit/ loss before net financials	5,802,778	-8,223,823
	Income from investments in group enterprises	2,535,135	5,969,613
	Income from Participating interests	-1,116,500	-953,487
3	Financial income	483,327	641,874
4	Financial expenses	-4,674,753	-2,351,097
	Profit/ loss before tax	3,029,987	-4,916,920
5	Tax for the year	-391,313	2,446,856
	Profit/ loss for the year	2,638,674	-2,470,064

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	ASSETS		
	Fixed assets		
7	Intangible assets		
	Acquired intangible assets	1,922,901	90,146
		<u>1,922,901</u>	<u>90,146</u>
8	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	7,249,100	8,912,554
		<u>7,249,100</u>	<u>8,912,554</u>
9	Investments		
	Investments in group enterprises	20,844,762	25,935,222
	Receivables from group enterprises	22,530,392	6,032,238
	Participating interests	0	1,116,500
	Deposits	425,834	155,703
		<u>43,800,988</u>	<u>33,239,663</u>
	Total fixed assets	<u>52,972,989</u>	<u>42,242,363</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	27,234,434	33,440,655
	Construction contracts	6,285,918	9,781,687
	Receivables from group enterprises	17,967,151	7,818,230
	Receivables from participating interests	102,500	205,000
12	Deferred tax assets	1,448,009	4,479,788
	Other receivables	835,533	782,473
10	Prepayments	1,931,786	1,328,292
		<u>55,805,331</u>	<u>57,836,125</u>
	Cash	<u>3,815,590</u>	<u>342,715</u>
	Total non-fixed assets	<u>59,620,921</u>	<u>58,178,840</u>
	TOTAL ASSETS	<u>112,593,910</u>	<u>100,421,203</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
11	Share capital	7,950,000	7,950,000
	Net revaluation reserve according to the equity method	10,996,189	17,299,367
	Retained earnings	-1,607,366	-2,827,405
	Total equity	<u>17,338,823</u>	<u>22,421,962</u>
	Provisions		
	Other provisions	1,145,582	650,069
14	Total provisions	<u>1,145,582</u>	<u>650,069</u>
	Liabilities other than provisions		
13	Non-current liabilities other than provisions		
	Lease liabilities	2,761,895	5,348,023
	Payables to shareholders and Management	12,456,142	12,456,142
		<u>15,218,037</u>	<u>17,804,165</u>
	Current liabilities other than provisions		
13	Short-term part of long-term liabilities other than provisions	3,493,929	2,800,620
	Bank debt	53,071,132	42,687,960
	Construction contracts	0	583,672
	Trade payables	9,920,790	4,233,123
	Payables to group enterprises	8,327,287	7,440,938
	Payables to shareholders and management	546,156	544,639
	Other payables	3,532,174	1,254,055
		<u>78,891,468</u>	<u>59,545,007</u>
	Total liabilities other than provisions	<u>94,109,505</u>	<u>77,349,172</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>112,593,910</u></u>	<u><u>100,421,203</u></u>

- 1 Accounting policies
- 6 Appropriation of profit/loss
- 15 Contractual obligations and contingencies, etc.
- 16 Security and collateral
- 17 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
	Equity at 1 January 2022	7,950,000	15,497,063	4,658,785	28,105,848
6	Transfer, see "Appropriation of profit/loss"	0	5,016,126	-7,486,190	-2,470,064
	Adjustment of investments through foreign exchange adjustments	0	-3,213,822	0	-3,213,822
	Equity at 1 January 2023	7,950,000	17,299,367	-2,827,405	22,421,962
6	Transfer, see "Appropriation of profit/loss"	0	1,418,635	1,220,039	2,638,674
	Adjustment of investments through foreign exchange adjustments	0	-7,721,813	0	-7,721,813
	Equity at 31 December 2023	7,950,000	10,996,189	-1,607,366	17,338,823

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Flex Wind A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

Pursuant to section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statements of Flex Wind A/S are included in the consolidated financial statements of Bagger-Sørensen & Co. A/S, Vejle, Denmark, (reg. no. 51 45 23 13).

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

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Bagger-Sørensen & Co. A/S.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Income from construction contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from a construction contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Raw materials and consumables

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating 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 pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/ depreciation

The item comprises amortisation/ depreciation of intangible assets and property, plant and equipment.

The basis of amortisation/ depreciation, which is calculated as cost less any residual value, is amortised/ depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Acquired intangible assets	2-3 years
Plant and machinery	1-5 years
Fixtures and fittings, other plant and equipment	1-5 years

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Profit/ loss from investments in group entities and participating interests

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares. In participating interests, only proportional elimination of profit and loss is carried out, taking into account ownership shares.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

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

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, 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 accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Investments in group entities and participating interests

Equity investments in subsidiaries and participating interests are measured according to the equity method.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

On initial recognition, equity investments in group entities and participating interests are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in group entities and participating interests measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and participating interests is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial 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 has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected 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.

Construction contracts

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Operating profit/loss	Profit/loss before net financials +/- Other operating income and other operating expenses
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2023	2022
2 Staff costs		
Wages/salaries	19,503,893	9,893,922
Pensions	1,593,994	804,006
Other social security costs	118,493	103,839
	<u>21,216,380</u>	<u>10,801,767</u>
Average number of full-time employees	<u>21</u>	<u>14</u>
Total remuneration to Executive Board and Board of Directors: DKK 2,420,183 (2022: DKK 623,742)		
3 Financial income		
Interest receivable, group entities	483,327	640,722
Other financial income	0	1,152
	<u>483,327</u>	<u>641,874</u>
4 Financial expenses		
Interest expenses, group entities	312,345	534,405
Other financial expenses	4,362,408	1,816,692
	<u>4,674,753</u>	<u>2,351,097</u>
5 Tax for the year		
Deferred tax adjustments in the year	391,313	-2,446,856
	<u>391,313</u>	<u>-2,446,856</u>
6 Appropriation of profit/ loss		
Recommended appropriation of profit/ loss		
Net revaluation reserve according to the equity method	1,418,635	5,016,126
Retained earnings/accumulated loss	1,220,039	-7,486,190
	<u>2,638,674</u>	<u>-2,470,064</u>
7 Intangible assets		
DKK		Acquired intangible assets
Cost at 1 January 2023		249,459
Additions		<u>2,434,515</u>
Cost at 31 December 2023		2,683,974
Impairment losses and amortisation at 1 January 2023		159,313
Amortisation for the year		<u>601,760</u>
Impairment losses and amortisation at 31 December 2023		761,073
Carrying amount at 31 December 2023		<u>1,922,901</u>

Financial statements 1 January - 31 December

Notes to the financial statements

8 Property, plant and equipment

DKK	Fixtures and fittings, other plant and equipment
Cost at 1 January 2023	13,039,007
Additions	2,039,644
Disposals	-509,785
Cost at 31 December 2023	14,568,866
Impairment losses and depreciation at 1 January 2023	4,126,453
Depreciation	3,402,592
Reversal of accumulated depreciation and impairment of assets disposed	-209,279
Impairment losses and depreciation at 31 December 2023	7,319,766
Carrying amount at 31 December 2023	7,249,100
Property, plant and equipment include finance leases with a carrying amount totalling	6,128,832

9 Investments

DKK	Investments in group enterprises	Receivables from group enterprises	Participating interests	Deposits	Total
Cost at 1 January 2023	7,514,855	6,032,238	2,237,500	155,703	15,940,296
Additions	96,218	16,498,154	0	270,131	16,864,503
Cost at 31 December 2023	7,611,073	22,530,392	2,237,500	425,834	32,804,799
Value adjustments at 1 January 2023	18,420,367	0	-1,121,000	0	17,299,367
Foreign exchange adjustments	-7,721,813	0	0	0	-7,721,813
Profit/loss for the year	2,535,135	0	-1,116,500	0	1,418,635
Value adjustments at 31 December 2023	13,233,689	0	-2,237,500	0	10,996,189
Carrying amount at 31 December 2023	20,844,762	22,530,392	0	425,834	43,800,988

Group entities

Name	Domicile	Interest
Tighten By Elongation ApS	Vejle, Danmark	90.00%
FW Pop ApS	Vejle, Danmark	100.00%
Flex Wind - Instalacao E Manutencao	Fortaleza, Brazil	99.00%
Flex Wind S.A.S.	Buenos Aires, Argentina	100.00%
Flex Wind Poland Sp. z o.o.	Szczecin, Poland	100.00%
Flex Wind South Africa (Pty) Ltd	Somerset West, Western Cape, Sydafrika	88.00%
Flex Wind USA Inc.	Wilmington, Delaware, USA	100.00%
FW Training BV	Amsterdam, Holland	100.00%
Flex Wind UK Limited	London, England	100.00%
FW UK ApS (owned by Flex Wind UK Limited)	Vejle, Danmark	100.00%

Participating interests

Name	Domicile	Interest
Hangout A/S	Horsens	50.00%

Financial statements 1 January - 31 December

Notes to the financial statements

10 Prepayments

DKK	2023	2022
Insurance policies	526,638	498,680
Training	672,982	584,078
Other prepaid costs	732,166	245,534
	<u>1,931,786</u>	<u>1,328,292</u>

11 Share capital

Analysis of the share capital:

7,950,000 shares of DKK 1.00 nominal value each	7,950,000	7,950,000
	<u>7,950,000</u>	<u>7,950,000</u>

12 Deferred tax

Deferred tax at 1 January	-4,479,788	-2,032,932
Deferred tax adjustments in the year	3,031,779	-2,446,856
Deferred tax at 31 December	<u>-1,448,009</u>	<u>-4,479,788</u>

The Company has per 31 December 2023 recognized tax asset of a total of DKK 1,448,009, which primarily includes tax losses to be carried forward.

The management has, on the basis of the budgets up to 2025, assessed it likely that there will be future taxable income available, in which unused tax losses and unused tax deductions can be utilised.

13 Non-current liabilities other than provisions

DKK	Total debt at 31/12 2023	Short-term portion	Long-term portion	Outstanding debt after 5 years
Lease liabilities	6,255,824	3,493,929	2,761,895	0
Payables to shareholders and Management	<u>12,456,142</u>	<u>0</u>	<u>12,456,142</u>	<u>0</u>
	<u>18,711,966</u>	<u>3,493,929</u>	<u>15,218,037</u>	<u>0</u>

14 Provisions

Other provisions comprise provisions for warranty commitments. Warranty provisions relate to expected warranty expenses in accordance with usual guarantee commitments applicable to the sale of goods.

Financial statements 1 January - 31 December

Notes to the financial statements

15 Contractual obligations and contingencies, etc.

Contingent liabilities

Flex Wind A/S has provided a guarantee for a credit facility of ZAR 5,000 thousand for a subsidiary. The debt as of 31. december 2023 is ZAR 3,749 thousand

Flex Wind A/S has submitted a letter of support regarding financial support to Tighten By Elongation ApS and FW POP ApS. The support is confirmed at least to the date of the ordinary general assembly in 2025.

Flex Wind A/S has submitted a letter of support regarding financial support to Flex Wind - Instalacao E Manutencao. The support is confirmed at least to the date of the ordinary general assembly in 2025.

The Company is jointly taxed with its parent company, Bagger-Sørensen & Co. A/S, which acts as management company, and has limited and alternative liability together with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

Other financial obligations

Rent and lease liabilities include a rent obligation totalling DKK 28 thousand in interminable rent agreements with remaining contract terms of 3 months. Furthermore, the Company has liabilities under operating leases for cars totalling DKK 1,693 thousand, with remaining contract terms 2-4 years.

16 Security and collateral

As security for the Company's debt to banks, the Company has provided security in intangible assets, property, plant and equipment, trade receivables, manufactured goods for resale for a total amount of DKK 20,000 thousand. The carrying amount of these assets is DKK 36,406 thousand.

Guarantees provided to customers include work guarantees of EUR 67 thousand, USD 2,876 thousand (USD 1,414 thousand) and BRL 32,274 thousand (BRL 1,785 thousand)

Financial statements 1 January - 31 December

Notes to the financial statements

17 Related parties

Flex Wind A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Flex Wind Group A/S	Vejle, Denmark	Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Bagger-Sørensen & Co. A/S	Vejle	www.cvr.dk

Related party transactions

Flex Wind A/S was engaged in the below related party transactions:

DKK	2023	2022
Sale of service to group enterprises	12,585,247	9,716,396
Purchases of service from group enterprises	63,112,985	56,462,510
Interest from group enterprises	483,327	640,722
Interest to group enterprises	312,345	534,405
Receivables from group enterprises	40,497,543	13,850,468
Payables to group enterprises	8,327,287	7,440,938

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Henrik Schaar

Dirigent

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Henrik Schaar

Bestyrelse

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Tobias Oppermann Kristensen

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