ProCon Technic A/S

Rolighedsvej 36G, 1., DK-8240 Risskov

Annual Report for 2022

CVR No. 39 77 39 37

The Annual report was presented and adopted at the Annual General Meeting of the Company on 3 March 2023.

Kristian Ravn
Chair of the General meeting

ProCon

Contents

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of ProCon Technic A/S for the financial year 1 January - 31 December 2022.

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 as of 31 December 2022 of the Company and of the results of the Company operations for 2022.

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 adopted at the Annual General Meeting.

Risskov, 3 March 2023

Executive Board

Claus Søgaard Poulsen

Board of Directors

Kristian Ravn Chair	Christopher Andersen Heidenreich

Jesper Uhre Larsen	Carl Erik Skovgaard	Niels Brix

Independent Auditor's Report

To the Shareholder of ProCon Technic A/S

Opinion
We have audited the financial statements of ProCon Technic A/S for the financial year 1 January – 31 December 2022, 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 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 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 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. Management is also responsible for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and 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 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.
- 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 Statements Act. We did not identify any material misstatement of the Management's review.

Esbjerg, 3 March 2023
EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

Morten Østergaard Koch	Mads Klausen
State Authorised Public Accountant	State Authorised Public Accountant
mne35420	mne46588

Company Information

The Company	ProCon Technic A/S
	Rolighedsvej 36G, 1.
	DK-8240 Risskov
	CVR no. 39 77 39 37
	Financial period: 1 January 2022 – 31 December 2022
	Municipality of registered office: Aarhus
Board of Directors	Kristian Ravn, chair
	Christopher Andersen Heidenreich
	Jesper Uhre Larsen
	Carl Erik Skovgaard
	Niels Brix
Executive Board	Claus Søgaard Poulsen
Auditors	EY
	Bavnehøjvej 5
	DK-6700 Esbjerg

Management's Review

Principal activities
ProCon Technic provides technical solutions to the global renewable industries with specialty in the the solar industry.

Development in activities and financial matters
The income statement for 2022 shows a loss of TDKK 155 and an equity at December 31, 2022 of TDKK 1.866.

Management considers revenue development and result to be satisfactory considering the limited scope of activities in 2022.

Events after the balance sheet date
No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Income statement 1 January - 31 December 2022

	Note	2022	2021
		DKK	DKK
Gross profit/loss		**4.745**	**3.156**
Staff expenses	1	0	0
EBITDA		**4.745**	**3.156**
Depreciation of property, plant and equipment		0	-3.619
Profit/loss before financial income and expenses		**4.745**	**-463**
Financial expenses		-203.653	-262.994
Profit/loss before tax		**-198.908**	**-263.457**
Tax on profit for the year	2	43.760	57.961
Net profit/loss for the year		**-155.148**	**-205.496**
Proposed distribution of profit			
Retained earnings		-155.148	-205.496
		-155.148	**-205.496**

Balance Sheet 31 December 2022

Assets

	Note	2022	2021
		DKK	DKK
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	3	**0**	**0**
Fixed assets		**0**	**0**
Trade receivables		15.828	36.623
Receivables from group enterprises		300.000	0
Deferred tax		1.015.985	972.225
Receivables		**1.331.813**	**1.008.848**
Cash at bank and in hand		**594.700**	**3.933.462**
Current assets		**1.926.513**	**4.942.310**
Assets		**1.926.513**	**4.942.310**

Balance Sheet 31 December 2022

Liabilities and equity

	Note	2022	2021
		DKK	DKK
Share capital		500.000	500.000
Retained earnings		1.365.606	1.520.754
Equity		**1.865.606**	**2.020.754**
Other payables		0	2.075.576
Long-term liabilities	4	**0**	**2.075.576**
Trade payables		59.871	55.433
Other payables	4	1.036	790.547
Short-term liabilities		**60.907**	**845.980**
Liabilities		**60.907**	**2.921.556**
Liabilities and equity		**1.926.513**	**4.942.310**

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Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January 2022	500.000	1.520.754	2.020.754
Profit/loss for the year		-155.148	-155.148
Equity at 31 December 2022	**500.000**	**1.365.606**	**1.865.606**

The share capital has remained unchanged since the establishment.
The share capital consists of 500 shares of DKK 1.
The share capital is not divided into separate classes.

Notes to the Financial Statements

		2022	2021
		DKK	DKK
1	**Staff expenses**		
	Average number of employees	**0**	**0**
2	**Tax on profit/loss for the year**		
	Deferred tax for the year	43.760	57.961
		43.760	**57.961**

3 **Property, plant and equipment**

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January 2022	16.282
Additions for the year	0
Disposals for the year	0
Cost at 31 December 2022	**16.282**
Impairment losses and depreciation at 1 January 2022	16.282
Depreciation for the year	0
Reversals of impairment losses and amortisation for the year	0
Impairment losses and depreciation at 31 December 2022	**16.282**
Carrying amount at 31 December 2022	**0**

4 **Long-term liabilities**

Payments due within 1 year are recognised in short-term liabilities. Other debt is recognised in long-term liabilities.

The debt falls due for payment as specified below:

	2022	2021
Other debt between 1 and 5 years	0	2.075.576
Long-term part	**0**	**2.075.576**
Other debt within 1 year	0	734.445
Other short-term payables	1.036	56.102
Short-term part	**1.036**	**790.547**
	1.036	**2.866.123**

		2022	2021
		TDKK	TDKK
5	**Contingent assets, liabilities and other financial obligations**		

Charges and security

The following assets have been placed as security with credit institutions and other payables:

	2022	2021
Ownership mortgages totalling TDKK 2.500, providing mortgages on trade receivables, inventory, intellectual property rights and other tangible fixed assets at a total carrying amount of TDKK:	16	37

The Company has issued a letter of unlimited surety in favour of the bank draft facilities in ProCon Wind Energy A/S.

Other contingent liabilities

The Company is jointly taxed with IWS Services A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

6 **Related parties**

Consolidated Financial Statements

The Company is included in the consolidated financial statements for the parent company, ProCon Group ApS, Aarhus. The consolidated financial statements of ProCon Group ApS is available at www.cvr.dk.

Notes to the Financial Statements

7 Accounting policies

The Annual Report of ProCon Technic A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2022 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

11 **Accounting policies** (continued)

Income Statement

Revenue

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

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

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

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation of property, plant and equipment.

Notes to the Financial Statements

11 **Accounting policies** (continued)

Financial income and expenses

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

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The 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

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment 3-5 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 30,000 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

11 **Accounting policies** (continued)

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject to minor risks of changes in value.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Liabilities

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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