

# FairWind

**Force Bidco A/S**

Lysholt Allé 6

7100 Vejle

Business Registration No. 42 42 47 57

**Annual Report 2021**

(28 May 2021 – 31 December 2021)



The Annual General Meeting adopted the Annual Report on 29/4 2022

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Chairman of the General Meeting



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## **Company information**

### **The Company**

Force Bidco A/S  
Lysholt Allé 6  
DK-7100 Vejle

Business Registration No.: 42 42 47 57  
Registered office: Vejle  
Financial year: 28.05.2021 - 31.12.2021

### **Board of Directors**

Mike Winkel, Chairman  
Per Olof Martin Frankling  
Nils Henrik Tholander  
Alan Ramilton  
Helene Anna Rasmusson Egebøl  
Wolfgang Müller

### **Executive Board**

John Jørgen Funch, CEO

### **Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab  
City Tower, Værkmestergade 2  
8000 Aarhus C



## Statement by Management

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of Force Bidco A/S for the financial year 28 May to 31 December 2021.

The Consolidated Financial Statements and the Parent Company Financial Statement have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act. The Management Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 28 May to 31 December 2021.

In our opinion, the Management Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Vejle, 29 April 2022

## Executive Board

John Jørgen Funch  
CEO

## Board of Directors

Mike Winkel  
Chairman

Per Olof Martin Frankling

Nils Henrik Tholander

Alan Ramilton

Helene Anna Rasmusson Egebøl

Wolfgang Müller



## **Independent auditor's report**

### **To the shareholders of Force Bidco A/S**

#### **Opinion**

We have audited the consolidated financial statements and the parent financial statements of Force Bidco A/S for the financial year 28.05.2021 - 31.12.2021, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for the Group as well as the Parent. The consolidated financial statements and the parent financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2021, and of the results of their operations and cash flows for the financial year 28.05.2021 - 31.12.2021 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

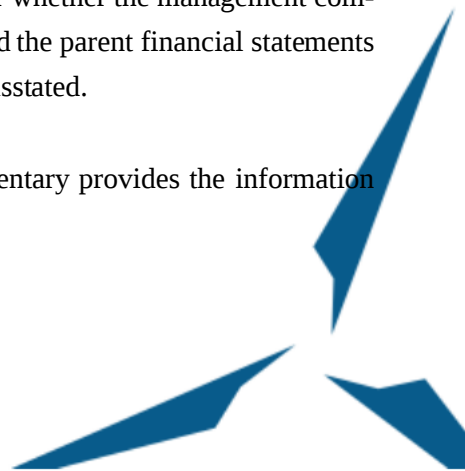
#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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



Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

### **Management's responsibilities for the consolidated financial statements and the parent financial statements**

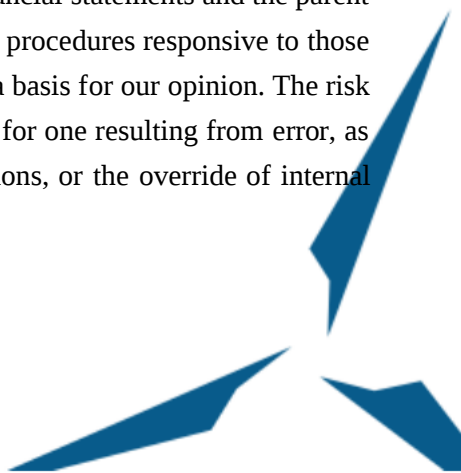
Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and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

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

### **Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and these parent 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 consolidated financial statements and the parent 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.
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- 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 Group's and the Parent'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 consolidated financial statements and the parent 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 Group's and the Parent'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

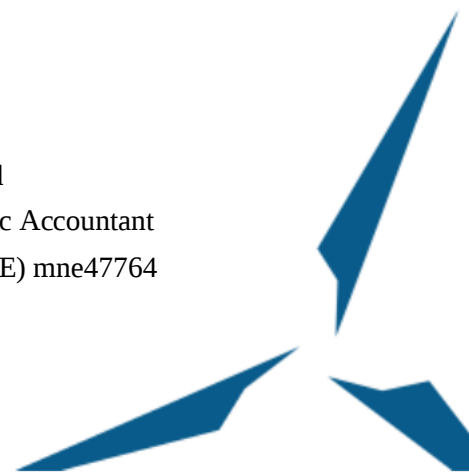
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aarhus, 29.04.2022

Deloitte Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

Jacob Tækker Nørgaard  
State Authorised Public Accountant  
Identification No (MNE) mne40049

Thomas Aamand Lund  
State Authorised Public Accountant  
Identification No (MNE) mne47764



## Management Review

### Key financial figures and ratios

DKK'000	2021*
<b>Statement of profit or loss</b>	
Revenue	260.291
Gross profit including direct salaries (non-GAAP metric – see note 4)	66.061
EBITDA before special items	31.893
EBITDA	-4.743
EBIT	-10.651
Net financials	-4.837
Net profit for the year	-18.013
<b>Statement of financial position</b>	
Total non-current assets	579.960
Total current assets	441.123
Total assets	1.021.083
Equity	342.564
Total non-current liabilities	400.919
Total current liabilities	277.600
Investments in property, plant and equipment	26.668
<b>Ratios</b>	
Gross Margin including direct salaries (non-GAAP) (%)	25,4%
EBITDA Margin before special items (%)	12,3%
EBITDA Margin (%)	-1,8%
EBIT Margin (%)	-4,1%
Equity ratio (%)	33,5%

\*The company was dormant in the period 28/5-28/9 2021, why the PnL activities only covers the period from 28/9-31/12 2021.





## Management Review

### Group's principal activities

The Force Bidco A/S group's (hereafter "FairWind Group" or "The Group") principal activities are technical installation of wind turbines and other related services.

### Development in activities and financial positions

Force Bidco A/S was established 28 May 2021 and was dormant until the acquisition of FairWind A/S on 28 September 2021. The Annual report therefore only hold operating activities for the period from 28 September 2021 to 31 December 2021.

The profit for the year amounts to DKK -18.013 thousand and total equity amounts to DKK 342.564 thousand. The result is impact by Special Items of DKK 36.637 thousand per note 6 of which DKK 35.727 thousand is connected with the acquisition of Fairwind A/S.

FairWind Group's Management considers the development in turnover and profit levels for the year satisfying given the circumstances in the market outside of the company's control.

Like most industries, also the Wind industry in general and FairWind Group was impacted by the global Covid-19 pandemic and the following disruptions to the supply chain of our customers impacting the execution of projects.

### Investments

On 28 September 2021 Force Bidco A/S (parent company) acquired 100% of the issued share capital of FairWind A/S (hereafter "FairWind"). With more than 13 years of experience, FairWind has a broad value proposition within technical installation of wind turbines and other related services.

The Force Bidco A/S Annual Report therefore only contains FairWind operations from 28 September 2021 to 31 December 2021 and these numbers are impacted by the accounting process of PPA (Purchase Price Allocation) as part of the acquisition.

### Market and outlook

Management expects the group to continue the positive development and expects 2022 group revenue at the level of 1b DKK and EBITDA margin in the range of 5-8%.

The guidance for 2022 including EBITDA margin is subject to significant uncertainty due to the ongoing COVID-19 effect, geopolitical situation, supply chain shortages and internal challenges at our customers.

### Risk factors

#### *Financial risks and use of financial instruments*

##### *General business risks*

The group is not exposed to specific risks which are not common for the type of business activities performed by the group except for currency risks mentioned below. However, it is worth calling out that also in 2022 Force Bidco expects some impact on profit from Covid-19 and the supply chain disruptions since several of the frame agreements with customers have been signed prior to the pandemic and is still the ones we perform our work and activities under as well as disruptions at our customers from this.

##### Interest risks

The groups financing is based on a combination of bonds and bank borrowings (revolver) both with a floating rate. The bonds are with a margin on top of the EURIBOR (3 months) reference rate, and the revolver is with a margin on top of the CIBOR for DKK (3 months) reference rate and both are as such subject to change.

## Management Review (continued)

### Liquidity risks

The group's revolver is currently valid until 31. March 2026 and the bond redemption date is 5. July 2026 and is considered sufficient for the activities in the group.

### Currency risks

The group has activities in a variety of countries around the world. Some countries have volatile currencies, which expose the group to currency risks due to increase or decrease in local currencies compared to DKK. The group attempts to minimize the risk by creating natural hedges between the currency of the revenue and the currencies of the underlying cost. In general the currency development has been unfavorable in 2021, which has resulted in negative exchange adjustment of equity in the amount of DKK 5.823 thousand.

### Research and development activities

The group has no significant research and development activities.

### Corporate Social responsibility (CSR)

The FairWind group's CSR policy and responsibility are valid for all employees in entities in the group as well as subcontractors and suppliers.

### FairWind has displayed social responsibility since our beginning

In the FairWind group, we are conscious of our social responsibility and wish to operate a business that shows consideration for individuals, the community, and the environment we are a part of. Being accountable towards our CSR policy, FairWind and our employees will account for our ambitions, how to achieve them and the results hereof. Year on year, FairWind will attempt to expand focus areas to constantly force ourselves to develop and improve the CSR outcome and results.

### We seek a dialogue

Dialogue is a basic tool for management to run operations smoothly and to achieve results in cooperation with partners and stakeholders. FairWind has years of experience in taking responsibility and working towards all parties by engaging in a constructive dialogue throughout all phases of any project. Dialogue means that we achieve our goals to the satisfaction of our direct customers, our suppliers and other business partners.

We encourage cooperation between all parties in our operations and close circle of the value chain to find coherent solutions – not just for the benefit of FairWind but for the whole supply chain. This requires close collaboration and detailed insight into our projects. FairWind is a natural centre point for cooperation because we are always closely connected to our partners.



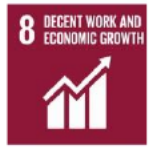
## Management Review (continued)

### How FairWind Group focuses on the UN sustainability goals

As per the FairWind Vision & Mission statement, we exist to contribute towards maturing the market of installation and service of renewable energy devices and finding innovative ways of reducing the installation cost of clean energy.

Since energy production is by far the largest source to emission of carbon dioxide globally, and the emission is one of the main reasons to global warming, FairWind is indirectly contributing to solving the required 'Climate Action'. By being involved in technical installation of more than 10 GW from 2019- 2021, estimated to be covering close to 20 million households, we are contributing to a habitable planet for our children and future generations.

Also, FairWind is utilizing cross-border work, meaning that we often employ people from low-cost countries, which both keeps the project costs down, ensuring a good business case for renewable energy, but also economic growth in those less-wealthy countries. This as the technicians' salaries flow into these countries, the technicians are trained by FairWind, and unemployment in those countries is affected positively, hence we are also contributing towards local economic growth through decent work. Conclusively, FairWind focuses on delivering to 3 of the 17 global sustainable development goals; Affordable and Clean Energy (7), Climate Action (13), Local economic growth through decent work (8)



Through our main operation of installing wind turbines, this year (2021) we can proudly share that we have been involved in the installation of close to 3.5 GW and ~425,000 Service Hours and hence is one of the key players in green transformation of earth. Also, FairWind has technicians and person working in the interest of FairWind from ~20 different nations. Our ambitions for the coming years are to continuously grow GW installation as well as maintain or steadily grow our global footprint with focus on reducing our CO2 emission towards 2025. During this development it is key for FairWind as a global player to be compliant with the UN 10 principles for Global compact.

### UN GLOBAL COMPACT – the FairWind group's commitment to the 10 principles

The relationship to our suppliers and subcontractors is a natural extension of the Global Compact principles.

FairWind's contracts with suppliers and subcontractors are governed by various guidelines from the company, that help to ensure high quality and adherence to required standards going backwards in the supply chain. FairWind commits its subcontractors to contractually live up to applicable national collective agreements. If this is not complied with, it is considered a significant breach of contract.

FairWind supports and respects the protection of internally proclaimed human rights within the boundaries of what is influenced by the company.

- ✦ FairWind ensures that the company does not contribute to the violation of human rights.
- ✦ FairWind maintains the freedom of assembly and acknowledges the right of collective bargaining.
- ✦ FairWind supports the elimination of all forms of forced labour.
- ✦ FairWind supports the elimination of child labour.
- ✦ FairWind supports the elimination of discrimination related to work and employment conditions.
- ✦ FairWind supports a precautionary approach to environmental challenges.
- ✦ FairWind takes initiatives to promote greater environmental responsibility.
- ✦ FairWind encourages development and dispersion of environmental technologies.
- ✦ FairWind opposes all forms of corruption, extortion and bribery.

## Management Review (continued)

### Code of conduct – legislation

FairWind's Code of Conduct is a set of principles for ethical behaviour. It defines what we in FairWind believe is a responsible ethical, social and environmental practice. As a global company, FairWind has personnel from more than 20 different nationalities with different religious beliefs, cultures and political views. FairWind personnel are subject to various local laws and regulations. Although the Code of Conduct is applicable and enforceable in any country where FairWind performs its activities, personnel are also subject to the national laws and regulations in their respective countries of activity and to any laws in their own countries. FairWind will comply with the laws of every jurisdiction in which it operates. Where a local law sets higher standards than those set out in our Code of Conduct, the local law takes precedence. The Code of Conduct proposes a set of minimum standards. FairWind business units may set stricter standards, when these do not conflict with the Code of Conduct. The full version of FairWind's Code of Conduct is available online at <http://fairwind.com>.

### Target & results

The risk regarding human rights primarily relates to breach on human rights in the supply chain, in relation to suppliers operations in foreign countries.

The risk regarding anticorruption for FairWind primarily relates to corruption and bribery in the value chain, in relation to suppliers operations in foreign countries.

With zero breaches of the Code of Conduct FairWind in 2021 has delivered to our target.

### Achieving the target & future ambitions

FairWind has over the course of the last years strengthened our efforts on specific elements such as the Anti-Bribery Policy and Anti-harassment Policy as well as a Business Guideline & Rules training. Also, in the recent years all new office employees, technicians, subcontractors and suppliers have received the Code of Conduct as part of the onboarding process and FairWind has started tracking and documenting this process. During 2021, FairWind launched a public and anonymous whistle blower section on our company web page extending the previous whistle blower process through [ethics@fairwind.com](mailto:ethics@fairwind.com).

The target for 2022 will remain 0 breaches of the Code of Conduct.



## Management Review (continued)

### *Safety culture*

#### *Target & results*

In FairWind safety is non-negotiable as every employee has the right to feel safe. While our Safety culture is driven by the FairWind HSE department, we are also in close dialogue with customers to understand and be compliant with their demands. However, FairWind always strives to exceed these as safety must be embedded in daily activities. For 2021 key measures were defined:

- ✦ For 2021 FairWind had a target of 0 fatal accident
- ✦ For 2021 FairWind had a target for Lost time injury frequency at max 3.5 measured per 1,000,000 hours
- ✦ For 2021 FairWind had a target for Total injury frequency at max 6.0 measured per 1,000,000 hours

In 2021, unfortunately our North America Business Unit experienced a FairWind technician fatality on a Time & Material site run by a FairWind customer. Incident reporting and action plan is still in progress.

During 2021, FairWind counted 8 work related incidents which resulted in a Lost Time Injury frequency of 3.1 and within the target of 3.5. Comparing to 2020 where FairWind had 9 Lost time case, we are one injury less but also with less hours recorded and thus performance remains at last year's level, but a level which is better than industry benchmarks. For total recordable incidents rate FairWind counted 33, which result in being above 10 per million hour and with a slight worse performance when comparing to last year.

As a summary of the last years combined HSE efforts, it is however worth highlighting the trend over the course of the last 5 years has massively improved, with incident measures being 1/3 per working hours measure against 2016 baseline.

#### *Achieving the target & future ambitions*

Our most significant risk for social and employee related matters relate to work-related accidents.

Our Quality, HSE and HR departments have continued to measure the number of work-related incidents and reports these at all management meetings as part of the FairWind company dashboard. This to ensure that the management pay attention to the targets, actuals, and ambitions.

As FairWind year-on-year has the ambitions of improving, a HSE action plan has been developed and launched. Key part of the continuous improvement is implementing digital IT reporting tool to increase the transparency over the safety concerns. Every FairWind Technicians will have an access with possibility to report, and react in the right time before an issue escalate to become an incident. The process is a part of behavioural change program.



## Management Review (continued)

On top, as proactive measurements FairWind also launched several Safety Campaigns during 2021 such as:

- ✦ Slip, trip and fall
- ✦ Home office tips
- ✦ World Day for Health and Safety
- ✦ Working in high temperatures
- ✦ Safety Stand Down Hand Injuries
- ✦ Drive Safely at Work
- ✦ Falling Objects Campaign
- ✦ Internal safety alerts
- ✦ FairWind fit body and strong mind

In the onboarding procedure it is stated that all new employments receive all internal policies and safety procedures, and the company's department monitors that all policies and regulations are up to date and being followed. Also, supported by the HSE organization, FairWind carries out mandatory workplace evaluations and is continuously working to improve any matters that does not live up to the requirements.

In 2021 our HSE department also intensified the measuring of leading indicators to be proactive on improving and this has provided us with data to set new and more ambitious targets for 2022. The health & safety targets are:

- ✦ Fatal accidents at 0
- ✦ Lost Time Injury Frequency below 3.2 measured per 1,000,000 hours (as per client comparison)
- ✦ Total recordable Injury Frequency below 6 measured per 1,000,000 hours
- ✦ Minimum 1 health & safety campaign per quarter
- ✦ Minimum 3 safety walks per Manager in average
- ✦ Internal HSE awareness training for site management (min. 30%)

### Environment and climate

#### Target & results

The environment and climate are high priorities in the FairWind Group. The overarching aim in these matters is that FairWind is perceived by our customers, employees, suppliers and authorities as a conscious company.

FairWind is certified according to ISO 14001 and the climate priority is also an embedded part of the FairWind vision to: "FairWind to become a leading turbine installation and service player in both onshore and offshore with strategic regional strongholds based on our commitment to green transformation on earth".

We have not been issued any enforcement notices from environmental authorities in 2021 and our own self regulation has not revealed any violations of environmental law either.

Our target for 2021 was to continue our low environmental impact measured through the KPI "environmental frequency rate," (occurrences per 100.000 project site hours) where the target was set at 0.75. The result for 2021 is considered satisfactory as FairWind has managed to continue the trend of reducing the "environmental frequency rate" now to 0.3 per 100,000 project site hours (2019 = 0.8, 2020 = 0.4).

All 8 environmental events recorded in 2021 were related to minor chemical spillage: diesel or hydraulic oils – strictly connected to our activities, and mainly from cars/ generators at project sites. All events are considered minor and none of the events will have larger environmental implication.

In 2021 FairWind also had the target of running an internal environmental campaign. The target for this was achieved, as FairWind ran the campaign Eco challenge day(s) in Q4 2021 and this with a follow up early 2022.

## Management Review (continued)

### *Achieving the target & future ambitions*

FairWind as its core business in itself contributes to several UN Sustainability goals including Clean Energy and Climate action. Our work itself includes very limited risk in relation to environment and climate, but still FairWind secures the company's environmental arrangements through detailed internal control systems such as:

- ✦ Checking waste & chemical management on site
- ✦ Determining environmental aspects and impacts
- ✦ Including clear rules and environmental policies in an EHS Plan issued for each project
- ✦ Including control measures related to environmental aspects in risk assessments issued for each project
- ✦ Carrying out audits on site (where waste and chemical management are the crucial points for checking)
- ✦ Monitoring environmental indicators (EFR) from site
- ✦ Carrying out internal audits (especially in warehouse where environmental aspects are visible and can influence on employees directly)
- ✦ Developing environmental campaigns among employees
- ✦ Promoting pro-environmental behaviours

Also, in relation to the external environment, FairWind has always adjusted working processes locally to comply with any relevant environmental legislation. The 2022 goals for the environmental area are:

- ✦ Environmental penalties from authorities = 0
- ✦ Environmental Frequency Rate  $\leq 0.7$
- ✦ Minimum 1 environmental campaign per year
- ✦ CO2 emission from flight per hour  $\leq 0.48$  kg/project hour

Finally, FairWind also has targets for 2022 through a shared commitment with one of the OEMs in the industry on reducing our global environmental footprint in the Supply Chain. This includes:

- ✦ FairWind commits to 100% electricity consumption from renewable energy sources latest by 2030
- ✦ FairWind commits to a 50% reduction in waste from products delivered to the OEM latest by 2030

### ***Explanation of gender quotaion on the Management***

#### *The target & result*

FairWind sees it as a corporate social responsibility to contribute to solving the task of gender equality. We believe that diversity among our employees, including even gender distribution, contributes positively to the work environment, the company's performance and our competitiveness.

FairWind has a target of having 15 % of board members in FairWind being women before 2024. By the end of 2021, however, the board has not yet found a suitable woman willing to join the board.

Also, FairWind has a target of a year-on-year increased percentage of managers and middle managers being female. As per 31/12-2021 status is that FairWind has increased this number to 24 female managers or middle managers equivalent to 25% of the total group, which is slightly less when comparing to 2020 (27%) of the total group.

### *Achieving the target & future ambitions*

In FairWind the Board of Directors end of 2021 consists of a Chairman and three members, of which none are currently female. In 2022 one woman joined the board and thereby reaching the target in 2022.

Despite operating in a male dominated industry, on the level for manager and middle manager FairWind has been fairly successful in attracting women. This success is driven by a continuous focus on attracting women to these positions. In recent years, FairWind has focused on a recruitment process where all candidates are treated equally and since this initiative started, the number of female leaders has grown year on year.

## Management Review (continued)

### Quality culture

#### *The target & result*

FairWind quality strategy is focused on two main aspects; customer satisfaction as well as the skills and competences of our staff. For 2021 FairWind's quality measures were primarily related to snagging on delivered towers and the targets were:

- ✦ Less than 6 snags for Onshore turbines in total – with differentiated client targets between 5 and 10
- ✦ Less than 5 snags for Offshore preassembly

In 2021, FairWind delivered on the good side of ambitions for snagging with an Onshore average result of 4.9, which is also a strong improvement compared to the adjusted result of ~8 for 2020.

For Offshore the final total was 0.2 comfortable on the good side of the target, but also measured on a low volume.

After having formalized our customer satisfaction and loyalty survey back in 2018, FairWind has continued this practice into 2021. It was the ambition to improve scores to, and results exceeded previous years with a comfortable margin with satisfaction of 4.43 (2019 = 4.05, 2020 = 4.02) and for loyalty of 4.23 (2019 = 4.24, 2020 = 4.25).

#### *Achieving the target & future ambitions*

In 2021 FairWind further formalized our approach to quality management by:

- ✦ Pilot of QHSE digital app based tool including reporting module. Full implementation in 2022.
- ✦ Action plans from customer satisfaction process
- ✦ Formalizing our risk assessment process, running minimum once a year, and in 2021 in total 21 assessment were conducted and 330 risks identified
- ✦ Initiated the development of customer complaint processes (NCR's)
- ✦ Improved process for: Lessons Learned process, snagging reporting process, Competence development & evaluation process, Project documentation process
- ✦ Took part in 3 customer audits; ISO9001, ISO14001, and ISO45001 re-certification audit; SCC certification (acc. To SHE Checklist Contractors (SCC) 2017/6.0) for FairWind Holland B.V.
- ✦ Conducting 16 internal audits

Also, snagging levels in 2021 have been reported and communicated on leadership as well as board meetings, ensuring the constant monitoring of performance. On top of this, NCR's have been an often-discussed topic at our weekly operational meetings, and learning and action plans from the customer satisfaction survey have been an agenda point on several leadership meetings.

Continuing the improvement process, FairWind has set targets for new measures going into 2022. These are:

- ✦ Average number of snagging below 5, 6 and 10 respectively for the Onshore OEMs, but with total Onshore average of 6 and 5 for Offshore
- ✦ Customer satisfaction scores at 4.1 or above
- ✦ Minimum 2 supplier audits (CTQs) carried out
- ✦ Develop minimum 12 Improvement Program Reports



## Management Review (continued)

### Charity & Social events

FairWind also contributes to society through charity and in 2021 the key mentions are:

A recurring charity and social event for FairWind is a ‘day of fun’ with gifts to a local Orphan home (Poland, near Stettin), something FairWind has supported for more than a decade, which was also the case 2021

In 2021, FairWind supported the charity event focusing on funding for cancer related research & development of a cure.

### Closing statement

The FairWind Group’s CSR policy is long term and future oriented but also an important point of orientation in the daily operations for FairWind’s managers and employees, our subcontractors, and suppliers. FairWind is confident that our CSR policy and related activities will in 2021 also ensure progress and results. At FairWind we will continuously work on expanding our CSR policy as more relevant areas are included. It is our belief that a sound CSR policy changes as our surroundings, supply chain, and society change.

### Explanation of dataethics

The FairWind Group does not have a policy on dataethics as the Group is not treating data in scope nor using algorithms, nor is this an integrated part of the business strategies or activities.

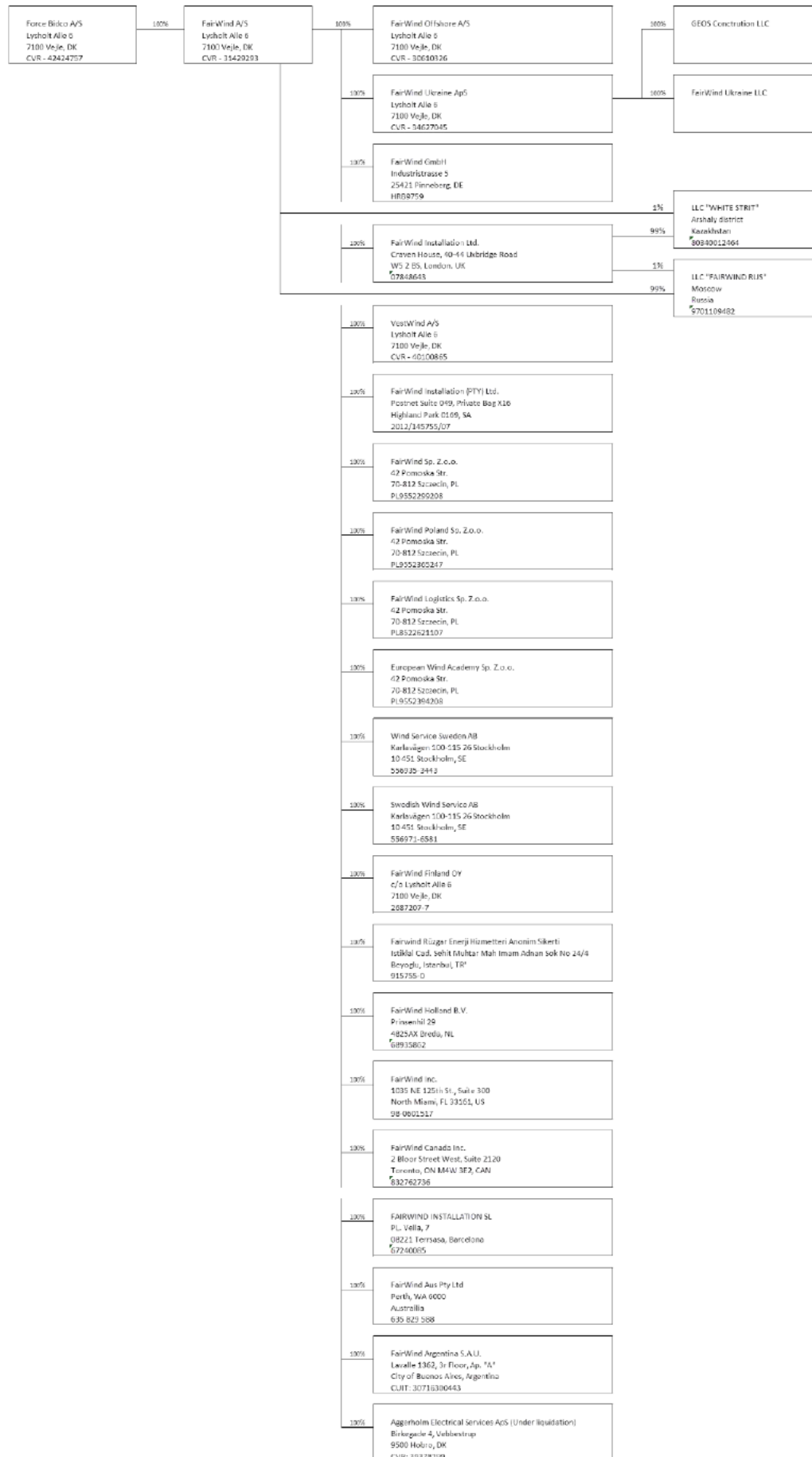
### Event after the balance sheet date

Fairwind Group’s operations in Ukraine and Russia has been impacted by the Russian invasion of Ukraine on 24 February 2022. Projects in Ukraine are currently fully on hold and new project in Russia are cancelled or postponed indefinite. While this is an impact to future growth potential in the region Management sees this as a non-adjusting event not impacting the financials of the 2021 Annual report.



# Management Review (continued)

## Group Chart



## Consolidated Financial Statements

### Consolidated statement of profit or loss

DKK'000	Note	2021 (28/5 to 31/12)*
Revenue	4	260.291
Operating Costs	5	-228.398
<b>Operating profit/(loss) before depreciation and amortisation (EBITDA) before special items</b>		<b>31.893</b>
Special items	6	-36.637
<b>Operating profit/(loss) before depreciation and amortisation (EBITDA) after special items</b>		<b>-4.743</b>
Depreciation, amortisation and impairment losses	7	-5.908
<b>Operating profit/(loss) (EBIT)</b>		<b>-10.651</b>
Financial income	8	57.949
Financial expenses	9	-62.786
<b>Profit before tax</b>		<b>-15.488</b>
Tax for the year	10	-2.525
<b>Result for the year</b>		<b>-18.013</b>
<i>Attributable to:</i>		
Shareholders of Force Bidco A/S		<b>-18.013</b>

\*The company was dormant in the period 28/5-28/9 2021, why the PnL activities only covers the period from 28/9-31/12 2021.



## Consolidated Financial Statements

### Statement of other comprehensive income

	<b>2021</b>
	<u>(28/5 to 31/12)</u>
<b>Result for the year</b>	<b><u>-18.013</u></b>
<b>Other comprehensive income</b>	
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>	
Exchange differences on translation of foreign operations	<u>-5.823</u>
<b>Total comprehensive income/loss</b>	<b><u>-23.836</u></b>
<i>Attributable to:</i>	
Shareholders of Force Bidco A/S	<u>-23.836</u>



## Consolidated Financial Statements

### Consolidated statement of financial position

<b>DKK'000</b>	<b>Note</b>	<b>31/12-2021</b>
Goodwill	11, 12	414.372
Trade name	11	98.000
Property, plant and equipment	13	26.668
Right-of-use assets	14	11.483
Deposits		1.742
Deferred tax asset	10	27.695
<b>Total non-current assets</b>		<b>579.960</b>
Inventories	16	2.333
Trade receivables	17	206.878
Contract assets	18	123.924
Other receivables		13.599
Prepayments		14.105
Cash		80.284
<b>Total current assets</b>		<b>441.123</b>
<b>Total assets</b>		<b>1.021.083</b>



## Consolidated Financial Statements

### Consolidated statement of financial position

DKK'000	<u>Note</u>	<u>31/12-2021</u>
Share capital	20	400
Share premium		366.000
Foreign currency translation reserve		-5.823
Retained earnings		-18.013
<b>Total equity</b>		<b><u>342.564</u></b>
Deferred tax	10	35.834
Interest-bearing liabilities	22	360.252
Lease liabilities	14	4.833
<b>Total non-current liabilities</b>		<b><u>400.919</u></b>
Interest-bearing liabilities	22	35.234
Payable to group enterprises		492
Contract liabilities	18	21.248
Lease liabilities	14	6.722
Trade payables		169.367
Current tax liability	10	4.231
Other payables		40.306
<b>Total current liabilities</b>		<b><u>277.600</u></b>
<b>Total liabilities</b>		<b><u>678.519</u></b>
<b>Total equity and liabilities</b>		<b><u>1.021.083</u></b>



## Consolidated Financial Statements

### Consolidated statement of changes in equity

DKK'000	<u>Share capital</u>	<u>Share premium</u>	<u>Foreign currency translation reserve</u>	<u>Retained earnings</u>	<u>Total equity</u>
<b>2021</b>					
Initial capital increase	400	366.000	0	0	366.400
<b>Total comprehensive income 31 December 2021</b>					
Result for the year	0	0	0	-18.013	-18.013
<b>Other comprehensive income</b>					
Exchange differences on translation of foreign operations	0	0	-5.823	0	-5.823
Tax on other comprehensive income					
<b>Total other comprehensive income</b>	<u>0</u>	<u>0</u>	<u>-5.823</u>	<u>0</u>	<u>-5.823</u>
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>-5.823</b>	<b>-18.013</b>	<b>-23.836</b>
<b>Balance at 31 December</b>	<u><b>400</b></u>	<u><b>366.000</b></u>	<u><b>-5.823</b></u>	<u><b>-18.013</b></u>	<u><b>342.564</b></u>



## Consolidated Financial Statements

### Cash flow statement

<b>DKK'000</b>	<b>Note</b>	<b>2021</b> <b>(28/5 to 31/12)</b>
<b>Operating activities</b>		
Operating profit/loss		-10.651
Depreciation, amortisation and impairment losses		5.908
Change in working capital	19	-108.229
Financial income received		-57.979
Financial expenses paid		62.786
Income taxes refunded/(paid)		-3.549
<b>Cash flow from operating activities</b>		<b>-121.358</b>
<b>Investment activities</b>		
Investments in intangible assets	10	0
Investments in property plant and equipment	12	5.917
Acquisitions	15	-528.969
Deposits		0
<b>Cash flow from investing activities</b>		<b>-534.886</b>
<b>Financing activities</b>		
Proceeds of long-term liabilities	22	371.893
Loan amortization cost	22	-11.641
Cash capital increase	22	366.400
Cash flows from overdraft facilities	22	11.096
Repayment leasing	22	-1.220
<b>Cash flow from financing activities</b>		<b>736.528</b>
<b>Change in cash and cash equivalents</b>		
Net cash flow	22	80.284
<b>Cash 31 December 2021</b>		<b>80.284</b>

The Group has unused credit facilities amounting to 177 mDKK.



## Notes

1. Accounting policies
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## Notes

### 1. Accounting policies

The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and additional Danish disclosure requirements for the financial statements of reporting class C enterprises, cf. the Danish Executive Order on Adoption of IFRSs ("IFRS-bekendtgørelsen") issued in accordance with the Danish Financial Statements Act ("DFSA").

The Group presents certain financial measures in the consolidated financial statements that are not defined under IFRS. It is Management's belief that these measures provide valuable supplemental information to investors and the Group's management, as they allow for an evaluation of trends and the Group's performance.

Since such financial measures are not calculated in the same way by all companies they are not always comparable to measures used by other companies. These financial measures should therefore not be considered to be a replacement for measurements as defined under IFRS.

#### Basis of preparation

The financial statements are presented in Danish kroner (DKK). All amounts have been rounded to the nearest DKK thousand, unless otherwise indicated.

The financial statements have been prepared on a going concern basis and in accordance with the historical cost convention, except where IFRS explicitly requires use of other values.

For the purpose of clarity, the financial statements and the notes to the financial statements are prepared using the concepts of materiality and relevance. This means that line items not considered material in terms of quantitative and qualitative measures or relevant to financial statement users are aggregated and presented together with other items in the financial statements. Similarly, information not considered material is not presented in the notes.

The accounting policies, except as described below, have been applied consistently during the financial year.

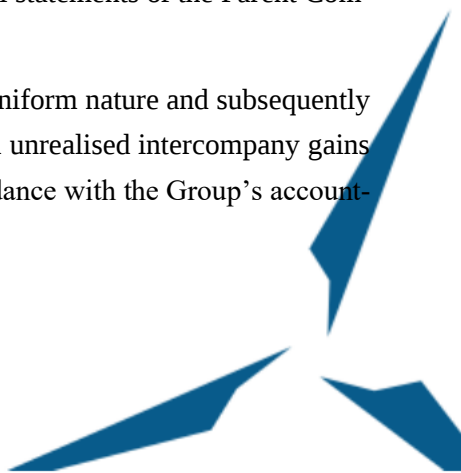
#### Basis of consolidation

The Consolidated Financial Statements comprise the Financial Statements of Force Bidco A/S (the Parent Company) and subsidiaries which are entities controlled by Force Bidco A/S. The Group controls an entity when it directly or indirectly owns more than 50% of the voting rights or may otherwise exercise a controlling influence.

#### Principles of consolidation

The Consolidated Financial Statements are prepared on the basis of the financial statements of the Parent Company and its subsidiaries.

The Consolidated Financial Statements are prepared by combining items of a uniform nature and subsequently eliminating intercompany transactions, internal shareholdings and balances and unrealised intercompany gains or losses. The financial statements used for consolidation are prepared in accordance with the Group's accounting policies.



## Notes

### 1. Accounting policies (continued)

The line items of subsidiaries are recognised 100% in the Consolidated Financial Statements. Investments in subsidiaries are offset by the interest's share of subsidiaries' net assets at the acquisition date at fair value.

Accounting policies are described in full in this note below.

#### **Business combinations**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognised in profit/(loss) as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits, respectively.

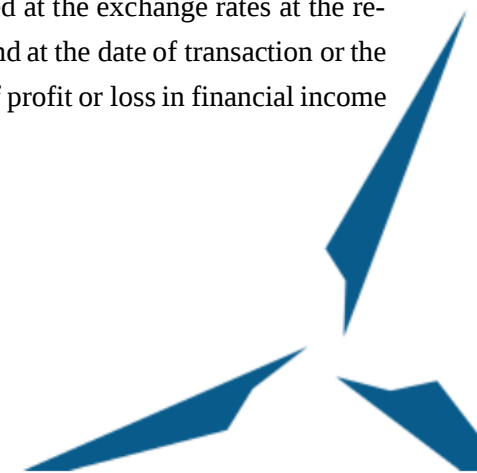
Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit/(loss) as a bargain purchase gain.

#### **Foreign currency translation**

Transactions denominated in currencies other than the functional currency are considered transactions in foreign currency.

On initial recognition, transactions denominated in foreign currencies are translated to the functional currency at the exchange rates at the transaction date. Foreign exchange rate adjustments arising between the transaction date and at the date of payment are recognised in the statement of profit or loss in financial income or financial expenses.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates at the reporting date. The difference between the exchange rates at the reporting date and at the date of transaction or the exchange rate in the latest financial statements is recognised in the statement of profit or loss in financial income or financial expenses.



## Notes

### 1. Accounting policies (continued)

#### Cash flow statement

The cash flow statement is presented using the indirect method and shows cash flows from operating, investing and financing activities for the year as well as the Group's cash and cash equivalents at the beginning and end of the financial year.

Cash flows from operating activities are calculated based on operating profit/loss, adjusted for the cash flow effect of non-cash operating items, working capital changes, financial expenses paid and income tax paid.

Cash flows from investing activities comprise payments in connection with the acquisition and sale of non-current intangible assets, property, plant and equipment, and financial assets.

Cash flows from financing activities comprise payments arising from changes in the size or composition of the Group's share capital and dividend paid. Cash and cash equivalents comprise cash at bank and in hand.

#### Statement of profit or loss

##### *Revenue*

Revenue comprises sale of mainly Installation and Services within the wind turbine industry (both on-shore and off-shore projects). The following is a description of the principal activities from which FairWind Group generates its revenue.

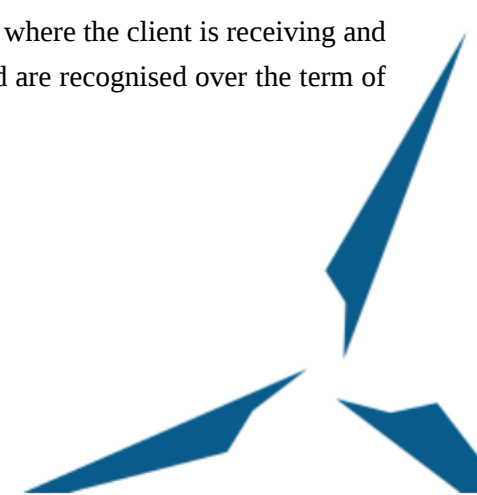
##### *Installation (Revenue recognised over time)*

Revenue from sale of installation is recognised over time based on the contract conditions, which state that FairWind Group creates or enhances an asset that the client controls as it is created or enhanced. Typically an installation contract include more than one installation, where the payment typically is due in line with each performance obligation. However, each of the single performance obligations stated within the contract are bundled as one Performance obligation based on the contract conditions.

The transfer of control and recognition of revenue are determined using input methods based on actual progress for the contracts, as these methods are considered to best depict the continuous transfer of control. The selling price is measured by reference to the total expected income from each contract and the stage of completion at the reporting date.

##### *Service (Revenue recognised over time)*

Revenue from service sales, comprising services and maintenance agreements where the client is receiving and consuming the benefits of the entity's performance as the entity performs, and are recognised over the term of the agreement as the services are provided.



## Notes

### 1. Accounting policies (continued)

#### *Incremental cost to fulfil a contract*

The Group amortise incremental costs to fulfil a contract (depending on assessment) over the duration of the contract using the same progress measure as for revenue.

#### *Transaction price*

The transaction price for sale of installation and service normally includes a fixed consideration. The transaction price for service contracts includes a fixed consideration and often a variable consideration. The estimated amount of variable consideration will be included in the transaction price only to the extent that a significant reversal in revenue recognised is highly unlikely to occur when the uncertainty associated with the variable consideration is subsequently resolved. The transaction price recognised as revenue is furthermore reduced by penalties and payment of liquidated damages related to project and service contracts.

#### *Operating cost*

Operating cost consist of the following operational cost incurred as part of the Group's core activities.

#### *Cost of sales*

Cost of sales, including warranty costs, comprise the costs incurred to achieve revenue for the year. Costs consist of direct labor costs, transportation costs and indirect costs such as salaries.

#### *Staff costs*

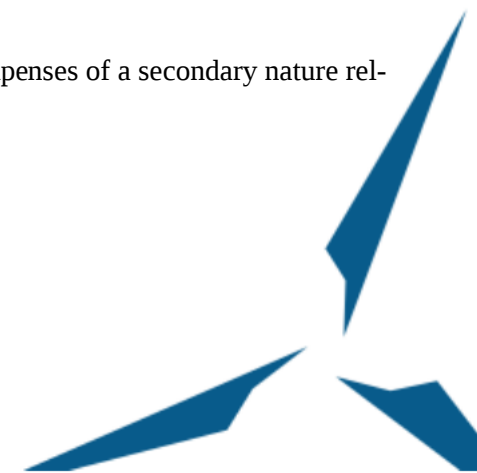
Staff costs consist of salaries, bonuses, pensions and social costs, vacation pay, and other benefits. Salaries, bonuses, pensions and social costs, vacation pay, and other benefits are recognised in the year in which the associated services are rendered by the employees. The Group has entered into retirement benefit schemes and similar agreements with employees. Contributions to defined contribution plans are recognised in the statement of profit or loss in the period to which they relate and any contributions outstanding are recognised in the statement of financial position as other liabilities.

#### *Other external expenses*

Other external expenses include the period's expenses relating to the Group's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, low-value and short-term leases, etc.

#### *Other operating income and other operating expenses*

Other operating income and other operating expenses comprise income and expenses of a secondary nature relative to the principal activities of the Group.



## Notes

### 1. Accounting policies (continued)

#### *Special items*

Special items include significant income and expenses of a special nature in terms of the Group's revenue-generating operating activities that cannot be attributed directly to the Group's ordinary operating activities. Such as income and expenses including transaction costs in a business combination.

#### *Financial income and financial expenses*

Financial income and expenses include interest income, interest expense, amortisation of borrowing costs and realised and unrealised exchange gains and losses.

#### *Tax*

Tax on the profit or loss for the year comprises the year's current tax and changes in deferred tax. The tax expense relating to the profit or loss for the year is recognised in the statement of profit or loss, and the tax expense relating to items recognised in other comprehensive income and directly in equity, respectively, is recognised in other comprehensive income or directly in equity. Exchange rate adjustments of deferred tax are recognised as part of the adjustment of deferred tax for the year.

Current tax payable and receivable is recognised in the statement of financial position as the expected tax on the taxable income for the year, adjusted for tax paid on account. The current tax charge for the year is calculated based on the tax rates and rules enacted at the statement of financial position date.

Deferred tax is calculated using the liability method on all temporary differences between the accounting and taxable values of assets and liabilities.

Deferred tax assets are assessed yearly and only recognised to the extent that it is more likely than not that they can be utilised. Deferred tax assets, including the tax value of tax losses carried forward, are recognised as other non-current assets and measured at the amount at which they are expected to be realised, either by setting off deferred tax liabilities or by setting off tax on future earnings within the same legal entity or a jointly taxed entity.

Deferred tax is measured based on the tax legislation and statutory tax rates in the respective countries that will apply under the legislation in force on the statement of financial position date when the deferred tax asset is expected to crystallise as current tax. Changes in deferred tax resulting from changes in tax rates are recognised in the statement of profit or loss.

The Group recognises deferred tax assets relating to losses carried forward when Management finds that these can be offset against taxable income in the foreseeable future. An assessment is made taking into consideration the effect of restrictions in utilisation in local tax legislation. Future taxable income is assessed based on budgets as well as Management's expectations regarding growth and operating margin in the coming years.

The Group is included in national joint taxation with its Parent Company, Force Holdco A/S. The tax charge for the year is allocated between the Danish jointly taxed companies in proportion to their taxable income, taking into account taxes paid.

## Notes

### 1. Accounting policies (continued)

#### Balance sheet

##### *Goodwill*

Goodwill arising on the acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment of goodwill is recognised directly in profit/(loss). An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit/(loss) on disposal.

##### *Other intangible assets*

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation year and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefit embodied in the asset are considered to modify the amortisation expense on intangible assets with finite lives are recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.



## Notes

### 1. Accounting policies (continued)

#### *Other intangible assets (continued)*

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Following the completion of assets they are amortised on a straight-line basis over the estimated useful life from the date when the asset is available for use. The amortisation period is:

Software - 3 years

#### *Property, plant and equipment*

Property, plant and equipment comprise other fixtures and fittings, tools and equipment and are measured at cost less accumulated depreciation and accumulated impairment losses. Other fixtures and fittings, tools and equipment are depreciated on a straight-line basis over the expected useful lives of the finite-lived assets, which are as follows:

Other fixtures and fittings, tools and equipment – 2-10 years

Property, plant and equipment are tested for impairment if indications of impairment exist. Property, plant and equipment are written down to their recoverable amount, if the carrying amount exceeds the higher of the fair value less costs to sell and the value in use. Depreciation and impairment charges are recognised in the statement of profit or loss.

#### *Leases*

The right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the useful life of the asset.

The Group leases properties which include a service element in the payments to the lessor. This service is deducted from the lease payment when measuring the lease obligation. Where the Group cannot reliably separate lease and non-lease items, it is considered a single lease payment.

Short leases with a maximum lease term of 12 months and leases where the underlying asset has a low value are not recognised in the statement of financial position.

The lease term is defined as the non-cancellable period of a lease together with periods covered by options to extend the lease if it is reasonably certain that the options will be exercised and periods covered by options to terminate the lease if it is reasonably certain that the options will not be exercised. A number of leases contain extension and termination options in order to guarantee operational flexibility in managing the leases.



## Notes

### 1. Accounting policies (continued)

#### *Leases (continued)*

The lease obligation, which is recognised in “Lease liabilities”, is measured at the present value of the remaining lease payments, discounted by the Group’s incremental loan interest rate, if the implicit interest rate is not stated in the lease agreement or cannot reasonably be determined. The lease obligation is subsequently adjusted if:

- The value of the index or interest rate on which the lease payments are based changes.
- There is a change in the expected exercise of options to extend or shorten the lease period due to a material event or material change in circumstances which are within the control of the lessee.
- The lease term is changed as a result of exercising an option to extend or shorten the lease term.

Subsequent adjustments of the lease obligation are recognised as a correction to the right-of-use asset. However, if the right-of-use asset has a value of DKK 0, a negative reassessment of the right-of-use asset is recognised in the statement of profit or loss.

#### *Inventories*

Inventories mainly comprised of spare parts which are used as a part of the services. Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

#### *Contract balances*

Contracts in progress are measured by allocating to each performance obligation the selling price of the work performed less progress billings and impairment losses.

The selling price of performance obligations is determined by reference to their stage of completion at the balance sheet date and the total expected contract revenue. In determining total expected income, the constraints on the recognition of variable consideration, including recognition of claims, additional works and variations are taken into consideration. The percentage of completion is determined on the basis of an assessment of the work performed, which is normally calculated as the ratio of contract costs incurred to total expected contract costs.

If it is probable that total contract costs will exceed total contract revenue, provision is made for the total expected loss on the contract. If the selling price cannot be measured reliably, the selling price is measured at the lower of contract costs incurred and net realisable value.

Construction contracts for which the selling price of the work performed exceeds progress billings and expected losses are recognised in receivables. Construction contracts for which progress billings and expected losses exceed the selling price are recognised in liabilities. Advance payments from customers are recognised in liabilities.

## Notes

### 1. Accounting policies (continued)

#### *Trade receivables and other receivables*

Trade receivables are measured at amortised cost less allowance for lifetime expected credit losses.

To measure the expected credit losses, credit risk for trade receivables has been based on an individual assessment. Trade receivables are written off when all possible options have been exhausted and there is no reasonable expectation of recovery.

The cost of allowances for expected credit losses and write-offs for trade receivables are recognised in the statement of profit or loss in other external expenses.

#### *Prepayments*

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

#### *Interest-bearing liabilities*

Interest-bearing liabilities are measured at amortised cost.

#### *Trade payables and other payables*

Other payables include bonus and commission accruals, vacation pay obligations, payroll taxes and VAT. Payables are measured at cost.

#### *Other provisions*

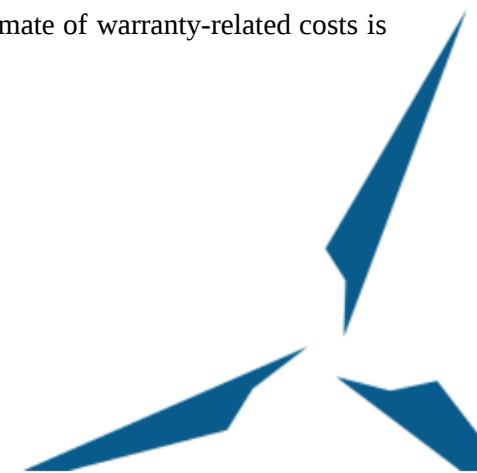
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expenses relating to a provision is presented in the statement of profit or loss net of any reimbursement.

In the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflect, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### *Warranty provisions*

Provisions for warranty-related costs are recognised when the product is sold or a service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Within the industry standard terms is a 24 month warranty period.



## Notes

### 1. Accounting policies (continued)

#### Definition of Key Figures and Ratios

**EBITDA** Net profit before interest, tax, depreciation, amortisation

**EBIT** Earnings before interest and tax.

**Gross profit margin (%)** Gross profit as a percentage of revenue.

#### Definition of Key Figures and Ratios (continued)

**Equity ratio** Equity at year-end divided by total assets

**Order backlog** The value of future contracts end of period.

**Order intake** An orders is included as order intake when it order becomes effective, meaning when the contract becomes firm and unconditional

**Number of employees year end (FTE)** Number of full-time equivalent employees (part-time employees translated into full-time employees) at the end of the year.

### 2. Adoption of new and amended standards

Relevant new and amended Standards and Interpretations that have been issued, but are not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended Standards and Interpretations, if applicable, when they become effective.

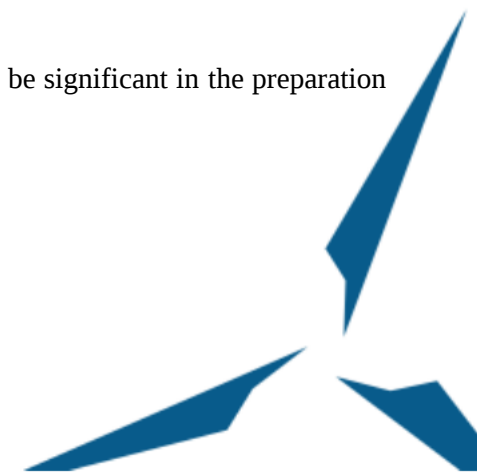
The implementation of new and amended Standards and Interpretations effective from 2021, has not had a significant impact on recognition, measurement or disclosures in the Annual Report 2021 and is not expected to have significant impact on the financial reporting for future periods.

### 3. Critical accounting judgements and key sources of estimation uncertainty

As part of the preparation of the financial statements, Management makes a number of accounting estimates and assumptions as a basis for recognising and measuring the Group's assets, liabilities, income and expenses as well as judgements made in applying the entity's accounting policies. The estimates, judgements and assumptions made are based on experience gained and other factors that are considered prudent by Management in the circumstances, but which are inherently subject to uncertainty and volatility.

The assumptions may be incomplete or inaccurate, and unforeseen events or circumstances may occur for which reason the actual results may differ from the estimates and judgements made. The accounting policies are described in detail in note 1 to the financial statements to which we refer.

Management considers the following accounting estimates and judgements to be significant in the preparation of the financial statements:



### **3. Critical accounting judgements and key sources of estimation uncertainty (continued)**

#### **Judgement regarding project accounting (accounting estimates)**

In accordance with IFRS 15, income from and profits on projects are recognized over time based on the progress towards full satisfaction of the individual performance obligations of the projects. The stage of completion is determined and evaluated based on actual technical completion and is a key accounting judgement related to the timing of revenue recognition.

Recognition and measurement of projects comprise considerable estimates and judgements made by Management in connection with the assessment of expected contract revenue, projects cost and disputes. Changes in these accounting estimates under the performance of the project may have significant impact on revenue, project cost and the result thereof. Discrepancies related to additional works, extensions of deadlines, claims for daily penalties, etc. are assessed on the basis of the nature of the issue, the stage of negotiation and past experience. The probability of the outcome is thus assessed on an individual basis.

#### **Purchase price allocation (accounting estimate)**

28 September 2021, the Company acquired Fairwind A/S by purchasing 100% of the outstanding shares. Fairwind A/S's assets, liabilities and contingent liabilities have been recognized under the purchase method in the consolidated financial statements of Force Bidco A/S. The key assets of Fairwind A/S are goodwill, other intangible assets, contract assets and receivables. Especially with regard to the other intangible assets acquired, there are no efficient markets to be used to determine fair value. Management has therefore made an estimate in connection with the allocated purchase price on that basis, see notes.

Management has assessed that the most significant intangible asset in the acquired business is the assembled workforce represented by the certified technicians employed that is the foundation for the future revenue in the business acquired. According to the accounting standards the assembled workforce is not an identifiable asset to be recognised separately from goodwill.

Management has also assessed that no material value can be assigned to customer relationships. The entire market in which the acquired business operates is represented by very few customers, which are all customers of the acquired business as well as all other market participants (i.e. FairWind's competitors). Those customers generally ask for tender from FairWind and its competitors and will determine its supplier from project to project e.g. depending on which supplier can deliver the required certified technicians at the right price. Therefore, the customer relations in the acquired business on its own is not considered unique and do not provide FairWind with an advantage compared to its competitors in terms of generating future income and as such does not represent a material value to be recognised separately from goodwill.

FairWind is an established tradename in the market as an attractive employer for highly qualified technicians which is considered important in terms of attracting skilled technicians, which are enablers for revenue. Fair value of tradename is measured based on a royalty cost saved model with a royalty rate of 0.75%. The royalty rate takes into account that the tradename is not directly the main driver for generating revenue, but indirectly enables revenue through attraction of skilled technicians. Management has assessed that the tradename has an indefinite useful life as management intends to maintain the tradename indefinitely and currently there are no indications that they will not be able to do so.

### **3. Critical accounting judgements and key sources of estimation uncertainty (continued)**

The unallocated part of the purchase price has been recognized as goodwill mainly related to the access to the pool of technicians and employees as well as a Fairwind being a platform for growth in new markets both organically and through further acquisitions. The fair value calculation is subject to uncertainty.



### **3. Critical accounting judgements and key sources of estimation uncertainty (continued)**

#### **Impairment test for goodwill and Trade name (accounting estimate)**

Goodwill and Trade name are tested for impairment annually and whenever events or changes in circumstances indicate that the carrying amount of assets has been impaired, for example due to changed business climate. In order to determine if the value of assets has been impaired, the cash-generating unit to which goodwill and Trade name has been allocated must be valued using present value techniques. When applying this valuation technique, the Company relies on a number of factors including historical results, business plans, forecasts and market data. This is further described in the notes. As can be deduced from this description, changes in the conditions for these judgments and estimates can significantly affect the assessed value of the assets. This uncertainty also goes for the lifetime evaluation for these assets.



## Notes

### 4. Segment information

For management purposes, the Group is organised into business units based on its products and services and has two reportable segments, as follows:

- Installation (Installation of wind turbines)
- Service (Service of wind turbines)

The Executive Management is the Chief Operating Decision Maker (CODM), which is made up of the senior leadership across the respective functional areas and is responsible for the strategic decision making. And for the monitoring of the operating results of the operating segments for the purpose of performance assessment. Segment performance is evaluated based on revenue and is measured consistently with revenue in the Consolidated Financial Statements.

Two customers have sales representing more than 10% of the Revenue. Revenue from these customers is in the range of 30% - 44% of total revenue

<b>2021</b>			
<b>DKK'000</b>	<u>Installation</u>	<u>Service</u>	<u>Total</u>
Revenue	212.513	47.778	260.291
Direct Operating Costs (non-GAAP)	-156.799	-37.386	-194.185
<b>Segment gross profit including direct salaries (non-GAAP metric)</b>	<b>55.659</b>	<b>10.392</b>	<b>66.051</b>
Operating Cost (in addition to direct salaries)			-34.158
<b>Operating profit/(loss) before depreciation and amortization (EBITDA)</b>			<b>31.893</b>

It is not possible to allocate costs below "gross profit including direct salaries" to the segments identified, as these costs serve all segments and refer to the consolidated statement of profit or loss.

Fairwind Group uses the non-GAAP metric above in its internal segment reporting to show gross project not differentiating between if the cost arises from technicians on our own payroll or independent contractors.

## Notes

### 4. Segment information (continued)

#### Breakdown of revenue by geography

2021 DKK'000	Revenue
Sweden	52.799
Russia	49.247
Poland	36.023
Norway	34.314
Germany	28.980
Rest of Europe	26.603
Rest of Scandinavia	7.314
North and South America	6.261
Rest of the world	18.750
<b>Total revenue</b>	<b>260.291</b>

The revenue split is based on geographical supply point. Revenue specified by country comprises all countries with revenue that accounts for more than 10 percent of FairWind Group' total revenue.

#### Transaction price allocated to the remaining sales contracts (Order backlog)

The following table includes revenue expected to be recognised in the future related to performance obligations that are unfulfilled (or partially unfulfilled) at the end of the financial year.

At the end of 2021, the average remaining duration in the order backlog is within one year. Both Installation and Service projects are normally to be delivered within one year.

Challenges in relation to shipment of wind turbines, other equipment and installation hereof, for example bad weather, lack of grid connections, and similar matters, may cause delays that could affect the timing of the satisfaction of the future performance obligations within the backlog. Furthermore, it should be emphasised that the order backlog is forwardlooking in nature and a subset of FairWind Group' potential future revenue.

	2021
Order backlog – Installation	174.769
Order backlog – Service	74.555
<b>Total</b>	<b>249.324</b>



## Notes

### 5. Operating Costs

<b>2021</b>	<b>2021</b>
<b>DKK'000</b>	<b>(28/5 to 31/12)</b>
Project Costs	145.838
Other external cost	16.780
Non-remuneration of employees	162.618
Wages and salaries	57.994
Pensions	2.714
Other social security costs	4.704
Other staff costs	368
Remuneration of employees	65.780
<b>Total</b>	<b>228.398</b>
Average numbers of employees during the year	849

### Executive board and Board of Directors

Remuneration of the Executive Board and Board of Directors in the group and in the parent company amounts to DKK 912 thousand.

Executive Management only consists of one member and the remuneration of the Executive Management and the Board of Directors is disclosed collectively with reference to §98b (3) of the Danish Financial Statements Act.

### Incentive programmes

Incentive plans comprise a short-term incentive plan based on yearly performance. The bonus amount was DKKm 0,4 end of 2021.

The group has a management investment program with certain managers of the group. Under this agreement participating managers can indirectly subscribe for shares in the group. The acquisition price for the shares is the fair value.

In the consolidated financial statement of the group, this arrangement has been classified as equity settled transaction because the group has not obligation to settle the transaction with the managers. However, since the amount is paid by the managers for the subscription of the shares was the fair value, the award had no material fair value at grant date and therefore there were no expense recognized in the consolidated statement of comprehensive income in the year during which shares were subscribed.

## Notes

### 6. Special items

	<b>2021</b>
<b>DKK'000</b>	<b>(28/5 to 31/12)</b>
Transaction cost directly related to acquisition of Fairwind A/S	29.380
Release of Contract Assets identified during PPA	6.347
Restructuring cost	909
<b>Total</b>	<b>36.637</b>

	<b>2021</b>
<b>DKK'000</b>	<b>(28/5 to 31/12)</b>
If special items had not been grouped to special items they would have been included in the following line items:	
Operating cost	7.257
Other operating expense	29.380
<b>Special items net</b>	<b>36.637</b>

### 7. Depreciation, amortisation and impairment losses

	<b>2021</b>
<b>DKK'000</b>	<b>(28/5 to 31/12)</b>
Depreciation of property, plant and equipment	4.688
Depreciation of right-of-use assets	1.220
<b>Total</b>	<b>5.908</b>



## Notes

### 8. Financial income

	<b>2021</b>
<b>DKK'000</b>	<b>(28/5 to 31/12)</b>
Foreign exchange gains	54.757
Other financial income	3.192
<b>Total</b>	<b>57.949</b>

### 9. Financial expenses

	<b>2021</b>
<b>DKK'000</b>	<b>(28/5 to 31/12)</b>
Interest on debts and borrowings	12.520
Foreign exchange losses and other adjustments	47.957
Other interest expenses	2.309
<b>Total</b>	<b>62.786</b>

### 10. Tax for the year

	<b>2021</b>
<b>DKK'000</b>	<b>(28/5 to 31/12)</b>
Current tax for the year income	9.453
Changes in deferred tax	-6.928
	<b>2.525</b>

	<b>2021</b>
<b>DKK'000</b>	<b>(28/5 to 31/12)</b>
Tax calculated as 22% of profit/loss before tax	-3.407
Impact from non-deductible expenses	6.464
Other differences, net	-531
<b>Effective tax</b>	<b>2.525</b>

Tax rate for the year (%)	-16,3%
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The negative rate for the year is driven by the large non-deductible cost related to the acquisition of Fairwind A/S.



## Notes

### 10. Tax for the year (continued)

<b>Deferred tax liabilities, net</b>	<b>31/12-2021</b>
Deferred tax (acquired in business combinations)	15.066
Deferred tax for the year recognised in the statement of profit or loss	-6.928
Other adjustments	0
<b>Deferred tax 31 December 2021</b>	<b>8.138</b>

Deferred tax for the year recognized in the statement of profit or loss relates to tangible assets other than contract assets and to tax loss carried forward.

#### Deferred tax is recognised in the statement of financial position as follows:

Deferred tax (asset)	-27.695
Deferred tax (liability)	35.834
<b>Total</b>	<b>8.138</b>

#### Deferred tax concerns:

<b>DKK'000</b>	<b>31/12-2021</b>
Contract assets	1.607
Intangible assets	21.560
Tangible assets other than contract assets	-2.423
Tax loss carried forward	-13.114
Other, net	509
<b>Total</b>	<b>8.138</b>

#### Description of deferred tax:

When assessing the value of the deferred tax assets, Management has prepared a business case covering the next 5 years.



## Notes

### 11. Intangible assets

<b>DKK'000</b>	<b>Goodwill</b>	<b>Trade name</b>	<b>Total</b>
<b>2021</b>			
Cost at 28 May (acquired in business combinations)	414.372	98.000	512.372
Additions			
<b>Cost at 31 December</b>	<b>414.372</b>	<b>98.000</b>	<b>512.372</b>
Amortisation during the year	0	0	0
<b>Depreciation at 31 December</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Carrying amount at 31 December</b>	<b>414.372</b>	<b>98.000</b>	<b>512.372</b>

### 12. Impairment test

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill from the acquisition of Fairwind A/S is currently not allocated at segment level as the accounting for the business combination is provisional.

All individual assets or cash-generating units are tested for impairment in circumstances in which indicators of impairment are identified and therefore, the carrying amount may not be recoverable.

Goodwill is tested for impairment once a year and more often in the case of impairment indicators. No impairment test has been made as of 31 December 2021 as the business combination accounting is provisional.



## Notes

### 13. Property, plant and equipment

<b>DKK'000</b>	<b>Other fixtures and fittings, tools and equipment</b>
<b>2021</b>	
Cost at 28 May (Additions from business combinations)	68.765
Other additions	13.002
Disposals	-8.041
Exchange rate adjustment	28
<b>Cost at 31 December</b>	<b>73.756</b>
Depreciation at 28 May (Additions from business combinations)	-41.564
Depreciation during the year	-4.688
Depreciation on disposals	702
Exchange rate adjustment	203
<b>Depreciation at 31 December</b>	<b>-45.346</b>
<b>Carrying amount at 31 December</b>	<b>28.411</b>



## Notes

### 14. Leases

<b>DKK'000</b>	<b>Offices</b>	<b>Cars</b>	<b>IT</b>
<b>2021</b>			
Cost at 28 May (Additions from business combinations)	9.929	2.235	93
Other additions	0	446	0
Adjustments and revaluations	38	1	1
<b>Cost at 31 December</b>	<b>9.967</b>	<b>2.682</b>	<b>94</b>
Depreciation during the year	877	330	13
<b>Depreciations at 31 December</b>	<b>877</b>	<b>330</b>	<b>13</b>
<b>Carrying amount at 31 December</b>	<b>9.051</b>	<b>2.351</b>	<b>80</b>

The maturity split of future payments are listed within note 23.

Carrying amounts of lease liabilities and movements during the period:

<b>DKK'000</b>	<b>31/12-2021</b>
At 28 May (Assumed in business combinations)	12.257
Other additions	446
Accrual of interest	62
Payments	-1.250
Adjustments	40
<b>At 31 December</b>	<b>11.555</b>
<b>Non-current</b>	<b>6.722</b>
<b>Current</b>	<b>4.833</b>

The following amounts have been recognised in the statement of profit or loss:

<b>DKK'000</b>	<b>2021</b>
	<b>(28/5 to 31/12)</b>
Depreciation expense of right-of-use assets	1.220
Interest expense on lease liabilities	63
Expense relating to short-term leases (included in other external expenses)	40
<b>Total amount recognised in the statement of profit or loss</b>	<b>1.322</b>

The Group had total a outflow for leases of DKK 1.250 thousand.

The Group leases offices and lease terms are negotiated on an individual basis and contain different terms and conditions. As part of COVID-19, no rent concession has been received.

## Notes

### 15. Acquisition

On 28 September 2021 Force Bidco A/S (parent company) acquired 100% of the issued share capital of FairWind Holding ApS (hereafter “FairWind”). With more than 13 years of experience, FairWind has a broad value proposition within technical installation of wind turbines and other related services.

The acquisition price for 100% of the shares was DKK 595m. Acquisition related costs amounts to DKK 28m and are recognised in special items in profit and loss and in the cash flows from operations in the statement of cash flows.

The acquired business contributed net sales of DKK 260m and EBIT of DKK 23m to the group for the period from 28 September 2021 to 31 December 2021. If the acquisition had occurred on 28 May 2021, consolidated pro-forma net sales and EBIT for the year ended 31 December 2021 would have been DKK 674m and DKK 64m respectively.

For list of acquired companies please refer note 26: Legal entities.

The provisional fair values of the identifiable assets and liabilities of Fairwind A/S as at the date of acquisition were:

<b>DKK'000</b>	<b>Fair value at acquisition</b>
Intangible assets	512.312
Property, plant and equipment	25.349
Right-of-use assets	12.257
Deposits	1.833
Other equity investments	0
Deferred tax asset	9.508
<b>Total non-current assets</b>	<b>561.259</b>



## Notes

### 15. Acquisition (continued)

<b>DKK'000</b>	<b><u>Fair value at acquisition</u></b>
Inventories	2.194
Trade receivables	237.749
Contract assets	109.329
Other receivables	14.854
Prepayments	13.552
Cash	66.427
<b>Total current assets</b>	<b><u>444.104</u></b>
<b>Total assets</b>	<b><u>1.005.362</u></b>
Lease liabilities	6.938
Deferred tax liabilities	24.574
<b>Total non-current liabilities</b>	<b><u>31.512</u></b>
Interest-bearing liabilities	24.138
Lease liabilities	5.319
Trade payables	200.811
Current tax liability	-2.632
Other payables	150.819
<b>Total current liabilities</b>	<b><u>378.455</u></b>
<b>Total liabilities</b>	<b><u>409.967</u></b>
<b>Total equity and liabilities</b>	<b><u>1.005.362</u></b>
<b>Purchase of activity and share capital</b>	
Cash paid	595.396
Less acquired cash	-66.427
<b>Net outflow of cash - investing activities</b>	<b><u>528.969</u></b>

Acquired receivables include trade receivables of a fair value of 237,7 MDKK. No receivable has been assessed as irrecoverable at the date of acquisition. Goodwill relates to e.g. the workforce composition and knowledge, the market position and size of the operations enabling economies of scale, competitive pricing and a platform for M&A as well as expected new clients and markets.

The total price has been settled in cash.



## Notes

### 16. Inventories

<b>DKK'000</b>	<b>31/12-2021</b>
Raw materials and consumables	2.333
Write-down inventories	0
<b>Total at 31 December</b>	<b>2.333</b>

### 17. Trade receivables

<b>DKK'000</b>	<b>31/12-2021</b>
Trade receivables	206.878
Write-downs	0
<b>Total</b>	<b>206.878</b>

Management have assest that there is limited risk of loss on trade receivables in connection with the Group's receivable from sales activities. The limited risk is due to a few customers only with a high credit rating. The Group's trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are all classified as current and nothing is due past one year. Trade receivables are recognised initially at the amount of consideration that is unconditional, and are recognised as services delivered are invoiced to the customer and are not adjusted for any financing components as credit terms are short, and the financing component therefore insignificant.

As the group only deals with a few large customer in the same industry significantly concentration risk exists.

### 18. Contract balances

#### Construction contracts (assets/liabilities)

Contract assets comprise the selling price of work performed where the Group have transferred the installation, service or transport to the customers before the customer pays consideration or before payment is due, excluding any amounts presented as a receivable. The Group have assessed each contract asset for impairment in accordance with IFRS 9. The risk on contract balances is limited due to a few customers only with a high credit rating. Contract liabilities comprise agreed, unconditional payments received on account for work yet to be performed. During 2021, the majority of the contract liability has been recognised during the year as revenue. Payment is typically due at the time of final delivery of each performance obligation.

## Notes

### 18. Contract balances (continued)

<b>DKK'000</b>	<b>31/12-2021</b>
Selling price of contract assets	741.964
Prepayments from customers	-639.288
	<u>102.676</u>
Recognised as follows:	
Contract assets	123.924
Contract liabilities	-21.248
	<u>102.676</u>
<b>Prepayments from customers regarding construction contracts not yet started</b>	<u><b>9.125</b></u>

#### Contract costs

These costs are amortised over the construction period of the underlying contracts (in general, less than 12 month).

### 19. Working capital changes

<b>DKK'000</b>	<b>31/12-2021</b>
Change in receivables and prepayments	28.907
Change in trade payables and other debt etc	-137.136
<b>Total</b>	<u><b>108.229</b></u>

### 20. Share capital

At 31 December 2021, the share capital consisted of 400.336 shares with a nominal value of DKK 1.

The shares are not divided into classes and carry no right to fixed income.

	<u><b>DKK</b></u>
Issued and fully paid-up shares:	
At 28 May 2021	400,000
Capital increase, 2021	366
<b>Share capital at 31 December 2021</b>	<u><b>400,366</b></u>

## Notes

### 21. Fee to auditors appointed at the annual general meeting

<b>DKK'000</b>	<b>2021</b>
	<b>(28/5 to 31/12)</b>
Statutory audit	750
Tax and VAT advisory services	25
Other services	250
<b>Total</b>	<b>1.025</b>

### 22. Interest-bearing liabilities

<b>DKK'000</b>	<b>31/12-2021</b>
<b>Borrowings</b>	
Non-current borrowings	371.893
Current borrowings	35.234
<b>Total</b>	<b>407.127</b>

<b>DKK'000</b>	<b>Currency</b>	<b>Interest rate</b>	<b>Average interest rate</b>	<b>Carrying amount</b>
Issued bonds	EUR	Floating	6,25%	371.893
Amortized bond loan cost	DKK			-11.641
Bank borrowings	DKK	Floating	3,00%	35.234
Commitments on leasing agreements	DKK	Fixed	2.00%	11.555
<b>Total as of 31 December 2021</b>				<b>407.041</b>



## Notes

### 22. Interest-bearing and lease liabilities (continued)

Change in interest-bearing bank borrowings and issued bonds.

DKK'000	Net debt 28/5 2021	Cash flows	Non cash changes	Net debt 31/12 2021
Issued bonds	0	371.893	0	371.893
Amortized bond loan cost		-11.641	0	-11.641
Bank borrowings	0	11.096	24.138	35.234
Commitments on leasing agreements	0	-1.220	12.775	11.555
<b>Total as of 31 December 2021</b>	<b>0</b>			<b>407.041</b>

The Group had acquired net interest-bearing liabilities of DKK 24.138 thousand in 2021 part of the DKK 35.234 above. The Group had non-cash additions to right-of-use assets and lease liabilities of DKK 12.775 thousand in 2021.

### 23. Financial risks

#### Capital management

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balances. The capital structure of the Group consists of net debt and equity. Management reviews the capital structure continually to consider if the current capital structure is in accordance with the Group's and shareholders' interests.

#### Financial risk management

Due to the nature of its operations, investments, and financing, the Group is exposed to a number of financial risks. It is Group policy to operate with a low risk profile, so that interest rate risk and credit risk only occur in commercial relationships. The scope and nature of the Group's financial instruments appear from the statement of profit or loss and statement of financial position in accordance with the accounting policies applied.

Provided below is information about factors that may influence amounts, time of payment, or reliability of future payments, where such information is not provided directly in the financial statements. This note addresses only financial risks directly related to the Group's financial instruments.

#### Credit risk

Credit risk is the risk of a counterpart not meeting its obligations under a financial instrument or customer contracts, causing a financial loss. The Group is exposed to credit risk from its operating activities, primarily trade receivables. The Group tightly monitors and limit risks and losses on receivables and have established procedures

## Notes

### 23. Financial risks (continued)

for such. It is the Group's assessment that the exposure to credit risk is not significant dealing mainly with a few very large customers. Impairment of receivables amounted to nil in 2021.

#### Liquidity risk

FairWind Group receive majority of the payments based on performance obligations. Accordingly, the Group needs sufficient credit facilities to fund constructions in progress. The Group continues monitoring the need of liquidity. At 31 December 2021, the Group has an undrawn credit facility of DKK 177 million to ensure that the Group is able to meet its obligations. Management considers the credit availability to be sufficient for the next 12 months.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments which include estimated interest payments. Floating interest payments on bank borrowings have been determined applying a forward curve on the underlying interest rate at the reporting date.

DKK'000	<u>Less than 3 months</u>	<u>3 to 12 months</u>	<u>1 to 5 years</u>	<u>&gt; 5 years</u>	<u>Total</u>	<u>Carrying amount</u>
<b>Year ended 31 December 2021</b>						
Interest-bearing loans and borrowings	7.334	57.237	588.869	0	653.440	504.639
Amortized bond loan cost	0	0	0	0	0	-11.641
Lease liabilities	1.269	3.806	6.736	0	11.811	11.555
Other payables	8.592	25.775	0	0	34.368	34.368
Trade payables	169.367	0	0	0	169.367	169.367
<b>Total non-derivative financial liabilities</b>	<b>186.562</b>	<b>86.818</b>	<b>595.605</b>	<b>0</b>	<b>868.985</b>	<b>708.228</b>

#### Interest rate risk

Interest rate risk arises in relation to interest-bearing assets and liabilities. The Group's interest-bearing debt to credit institutions of DKK 35.524 thousand at 31 December 2021 is subject to a floating rate of interest based on CIBOR plus a premium.

If market interest rates increased by one percentage point, the interest rate sensitivity as calculated based on the loan balance to credit institutions at year-end 2021 would lead to a yearly increase in interest expenses of DKK 4.071 thousand. A corresponding decrease in market interest rates would have no impact as current interest rates are at the minimum rate.

## Notes

### 23. Financial risks (continued)

#### Categories of financial assets and financial liabilities measured at amortised cost

DKK'000	31/12-2021
Deposits	1.741
Receivables	206.898
Cash	80.284
<b>Financial assets</b>	<b>288.923</b>
Interest-bearing loan, current	-360.252
Lease liabilities	-11.555
Trade payables	-169.367
Other payables	-40.306
<b>Financial liabilities</b>	<b>-581.480</b>
<b>Total</b>	<b>-292.557</b>

Since the Group's financial instruments measured at amortised cost are either short-term and/or exposed to floating interest rates, Management has assessed that the carrying amount is a reasonable approximation of fair value.

#### Currency risk

The group has activities in a variety of countries around the world. Some countries have volatile currencies, which expose the group to currency risks due to increase or decrease in local currencies compared to DKK. The group attempts to minimize the risk by creating natural hedges between the currency of the revenue and the currencies of the underlying cost and of the remaining values we generally target contracts in EUR or DKK. In general the currency development has been unfavorable in 2021, which has resulted in negative exchange adjustment of equity in the amount of DKK 5.823 thousand.

### 24. Guarantees, contingent liabilities and collateral

#### Contingent liabilities

The Parent Company participates in a Danish joint taxation arrangement where Force Holdco A/S serves as the administration company.

According to the joint taxation provisions of the Danish Corporation Tax Act, the Parent Company is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

A subsidiary of Force BidCo A/S is subject to a tax audit related to transfer pricing and potentially facing a tax adjustment. The seller of Fairwind A/S has as part of the transaction assumed liability for this risk. Subsidiaries under Force BidCo A/S are part of minor legal disputes, which is by management is evaluated as immaterial for the 2021 accounts.

## Notes

### 24. Guarantees, contingent liabilities and collateral (continued)

#### Collateral

The Group has issued a letter of indemnity with a corporate mortgage of nominal DKK 95.000 thousand as security for the interest-bearing liability with the bank. The indemnity letter covers trade receivables, which carrying amount, per 31 December 2021, is DKK 206.878 thousand.

The Group has issued security over all shares in Force Bidco A/S towards Bonds.

### 25. Related parties

<u>Shareholders</u>	<u>Registered office</u>	<u>Basis of influence</u>
Force Holdco ApS	Denmark	100 %

The immediate parent company is Force Holdco A/S; the ultimate parent company is Triton V LuxCo 43 SARL.

#### Other related parties

Other related parties of Force Bidco A/S with a significant influence comprise the Board of Directors and the Executive Board and their related parties. Remuneration is disclosed in note 5. There were no other related parties identified.

#### Related party transactions

None





## Notes

### 26. Legal entities

<u>Name</u>	<u>Country</u>	<u>Ownership %</u>
FairWind A/S	Denmark	100
FairWind GmbH	Germany	100
FairWind Ukraine ApS	Denmark	100
FairWind Offshore ApS	Denmark	100
FairWind Installation Ltd.	United Kingdom	100
FairWind Installation Ltd.	South Africa	100
FairWind Sp. Z.o.o	Poland	100
FairWind Poland Sp. Z.o.o	Poland	100
Wind Service Sweden AB	Sweden	100
Sweden Wind Service AB	Sweden	100
FairWind Finland Oy.	Finland	100
FairWind Rüzgar Enerji Hizmetleri Anonim Sirketi	Turkey	100
Geos Construction LLC	Ukraine	100
FairWind Ukraine LLC	Ukraine	100
FairWind Inc.	United States	100
FairWind Canada Inc.	Canada	100
FairWind Holland B.V.	Holland	100
European Wind Academy Sp. Z.o.o	Poland	100
FairWind RUS LLC	Russia	100
White Strit LLC	Kazakhstan	100
FairWind Installation SLU	Spain	100
FairWind Argentina S.A.U.	Argentina	100
FairWind AUS PLY Ltd.	Australia	100
FairWind Logistics Sp. Z.o.o.	Poland	100
VestWind A/S	Denmark	100

### 27. Events after the reporting period

From the statement of financial position date and until today, no further matters, besides the ones mentioned in the Management Review, which would influence the evaluation of the Annual Report has occurred. See also the Management Review for further details.

## Parent Company Financial Statements

### Parent company statement of profit or loss

<b>DKK'000</b>	<b>Note</b>	<b>2021</b> <b>(28/5 to 31/12)</b>
Other external costs	3	-23.099
<b>Operating profit/(loss) before depreciation and amortisation (EBITDA)</b>		<b>-23.099</b>
Income/loss from investments in subsidiaries		20.376
Financial income	4	1.679
Financial expenses	4	-19.510
<b>Profit before tax</b>		<b>-20.554</b>
Tax for the year	5	2.541
<b>Total comprehensive income for the year</b>		<b>-18.013</b>
<i>Attributable to:</i>		
Shareholders of Force Bidco A/S		<b>-18.013</b>



## Parent Company Financial Statements

### Parent company statement of financial position

DKK'000	<u>Note</u>	<u>31/12-2021</u>
Investment in subsidiaries	6	609.949
Receivables from group enterprises		97.512
Deferred tax	5	2.541
<b>Total non-current assets</b>		<b><u>710.002</u></b>
Cash		17.907
Other Receivables		99
<b>Total current assets</b>		<b><u>18.006</u></b>
<b>Total assets</b>		<b><u>728.008</u></b>
Share capital	8	400
Share premium		366.000
Retained earnings		-23.836
<b>Total equity</b>		<b><u>342.564</u></b>
Interest-bearing liabilities	9	360.252
<b>Total non-current liabilities</b>		<b><u>360.252</u></b>
Interest-bearing liabilities		1
Trade Payables		18.667
Payables to group entities	10	492
Other payables		6.032
<b>Total current liabilities</b>		<b><u>25.192</u></b>
<b>Total liabilities</b>		<b><u>385.444</u></b>
<b>Total equity and liabilities</b>		<b><u>728.008</u></b>

## Parent Company Financial Statements

### Parent company statement of changes in equity

DKK'000	Share capi- tal	Share pre- mium	Retained earnings	Total
<b>2021</b>				
<b>Balance at 28 May</b>	0	0	0	0
<b>Total comprehensive income</b>				
Net profit/(loss) for the period	0	0	-18.013	-18.013
Adjustment of investments through foreign ex- change adjustments	0	0	-5.823	-5.823
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>-23.836</b>	<b>-23.836</b>
<b>Transactions with owners</b>				
Capital increase	400	366.000	0	366.400
<b>Total transactions with owners</b>	<b>400</b>	<b>366.000</b>	<b>0</b>	<b>366.400</b>
<b>Balance at 31 December</b>	<b>400</b>	<b>366.000</b>	<b>-23.836</b>	<b>342.564</b>



## Parent Company Financial Statements

### Cash flow statement

<b>DKK'000</b>	<b>Note</b>	<b>2021</b> <b>(28/5 to 31/12)</b>
Operating profit/loss		-23.099
Change in working capital	7	25.092
Financial income received		1.679
Financial expenses paid		-19.510
Income taxes refunded/(paid)		0
<b>Cash flow from operating activities</b>		<b>-15.838</b>
Investments in subsidiaries	6	-595.396
Loans		-97.512
<b>Cash flow from investing activities</b>		<b>-692.908</b>
Proceeds from long-term liabilities	9	371.893
Amortized loan cost		-11.641
Cash Capital increase		366.400
Cash flows from overdraft facilities		1
<b>Cash flow from financing activities</b>		<b>726.653</b>
<b>Change in cash and cash equivalents</b>		
Net cash flow		17.907
Cash and cash equivalents at 28 May		0
<b>Cash 31 December</b>		<b>17.907</b>



## Notes

1. Accounting policies
2. Significant accounting judgements, estimates and assumptions
3. Staff costs
4. Financial income and expenses
5. Tax for the year
6. Investments in subsidiaries
7. Working capital changes
8. Share capital
9. Interest-bearing liabilities
10. Financial risks
11. Guarantees, contingent liabilities and collateral
12. Related parties
13. Legal entities
14. Events after the reporting period



## Notes

### 1. Summary of significant accounting policies

The separate Parent Company Financial Statements have been incorporated in the Annual Report because a separate set of financial statements is required for the Parent Company under DFSA requirements for annual reports of reporting class B enterprises. The Company is required to apply the requirements for reporting class B enterprises, cf. the Danish Executive Order on Adoption of IFRSs ("IFRSbekendtgørelsen") issued in accordance with the Danish Financial Statements Act ("DFSA"). The Financial Statement for the Parent Company is in accordance with IFRS. Therefore the accounting principles is the same as the one applied in the consolidated financial statement except from the items below.

#### *Investments in subsidiaries*

A proportionate share of the underlying entities' profit/ loss after tax is recognised in the income statement according to the equity method. Shares of profit/ loss after tax in subsidiaries are presented as separate line items in the income statement.

#### *Receivables*

Receivables are measured at amortised cost less allowance for lifetime expected credit losses.

To measure the expected credit losses, credit risk for trade receivables has been based on an individual assessment. Trade receivables are written off when all possible options have been exhausted and there is no reasonable expectation of recovery.

The cost of allowances for expected credit losses and write-offs for trade receivables are recognised in the statement of profit or loss in other external expenses.

### 2. Significant accounting judgements, estimates and assumptions

For the significant accounting judgements, estimates and assumptions, please refer to note 3 to the consolidated financial statements on accounting policies



## Notes

### 3. Staff costs

2021 DKK'000	2021 (28/5 to 31/12)
Wages and salaries	898
Pensions	28
Other social security costs	
Other staff costs	-14
<b>Total</b>	<b>911</b>
 Average numbers of employees during the year	 <u>1</u>

For information on remuneration of the Board of Directors and the Executive Board, please refer to note 5 to the consolidated financial statement.

### 4. Financial income and expenses

DKK'000	2021 (28/5 to 31/12)
Interests receivables, group entities	1.533
Interests – bank deposits etc.	
Foreign exchange gains – bond etc	146
<b>Total income</b>	<b>1.679</b>
 Interest on debts and borrowings	 11.957
Foreign exchange losses and other adjustments	214
Other interest expenses	7.339
<b>Total expenses</b>	<b>19.510</b>





## Notes

### 5. Tax for the year

<b>DKK'000</b>	<b>2021</b> <b>(28/5 to 31/12)</b>
Current tax for the year income	0
Changes in deferred tax	2.541
	<b>2.541</b>

<b>DKK'000</b>	<b>2021</b> <b>(28/5 to 31/12)</b>
Tax calculated as 22% of profit/loss before tax	4.522
Income/loss from investments in subsidiaries	4.483
Impact from non-deductible expenses	-6.464
<b>Effective tax</b>	<b>2.541</b>

Tax rate for the year (%) 12,4%

#### Deferred tax liabilities, net

Deferred tax 28 May	0
Deferred tax for the year recognised in the statement of profit or loss	2.541
Other adjustments	0
<b>Deferred tax 31 December</b>	<b>2.541</b>

#### Deferred tax is recognised in the statement of financial position as follows:

Deferred tax (asset) from Tax loss carry forward	2.541
Deferred tax (liability)	0
<b>Total</b>	<b>2.541</b>

### 6. Investments in subsidiaries

<b>DKK'000</b>	<b>Subsidiaries</b>
<b>2021</b>	
Cost at 28 May	0
Additions	595.396
Foreign exchange adjustments	-5.823
Profit/loss for the year	20.376
<b>Carrying amount at 31 December 2021</b>	<b>609.949</b>

## Notes

### 7. Working capital changes

<b>DKK'000</b>	<b>31/12-2021</b>
Change in receivables and prepayments	-99
Change in trade payables and other debt etc	25.191
<b>Total</b>	<b>25.092</b>

### 8. Share capital

The shares are not divided into classes and carry no right to fixed income.

	<b>DKK</b>
Issued and fully paid-up shares:	
At 28 May 2021	400,000
Capital increase, 2021	366
<b>Share capital at 31 December 2021</b>	<b>400,366</b>

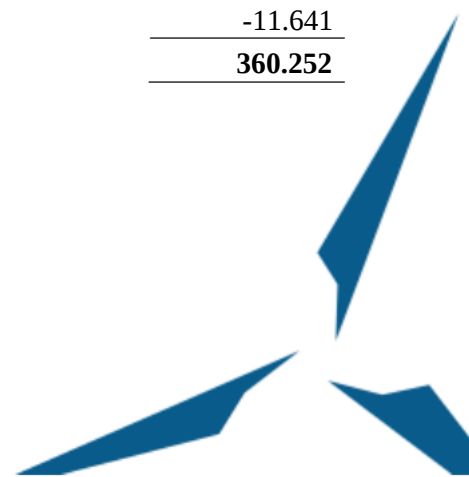
### 9. Interest-bearing liabilities

<b>DKK'000</b>	<b>31/12-2021</b>
<b>Long-term debt is due as follows:</b>	
0-1 year	0
1-3 years	0
3-5 years	371.893
>5 years	0
Amortized loan cost	-11.641
<b>Total</b>	<b>360.252</b>

The corporate bond is issued in EUR and listed on Frankfurt Stock Exchange with a floating rate EURIBOR (3 months) plus 6,25 % and will mature in 2026.

#### Change in interest-bearing borrowings, incl. leases liabilities

Liabilities at 28 May	
Bond issued	371.893
Amortized loan cost	-11.641
<b>Liabilities at 31 December</b>	<b>360.252</b>



## Notes

### 10. Financial, liquidity and currency risks

The financial risks and financial instruments of Force Bidco relate to the bond loan of 50 MEUR as described in note 23 to the consolidated financial statements.

Please refer to this note for further information on financial instruments and risk elements.

Furthermore the parent company has both financial risk and liquidity risk related to receivables from group enterprises and the ability for group companies to repay as needed for the parent company to meet its obligations. Management sees this risk as insignificant.

### 11. Guarantees, contingent liabilities and collateral

#### Contingent liabilities

The Parent Company participates in a Danish joint taxation arrangement where Force Holdco A/S serves as the administration company.

According to the joint taxation provisions of the Danish Corporation Tax Act, the Parent Company is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

#### Collateral

The parent company has issued security over all shares in Force Bidco A/S towards Bonds.

The parent company has issued guarantees for DKK 36 thousand towards external provider.

### 12. Related parties

#### Related parties with controlling interest

Force Holdco A/S, owns all the shares within the Company, thus having controlling influence thereon.

#### Related party transactions

Related party loan capital loan capital	95.979
Related party loan capital, interest	1.533
Related Party Payables	492
<b>Total</b>	<b>98.004</b>

### 13. Legal entites

For legal entites please refer note 26 in the consolidated financial statements.

### 14. Events after the reporting period

For events after the reporting period please refer note 27 in the consolidated financial statements.