

DELPRO A/S

Bavnevej 50, 6580 Vamdrup

CVR no. 25 01 97 76

Annual report 2024

Approved at the Company's annual general meeting on

Chair of the meeting:

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

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Financial statements 1 January - 31 December	9
Income statement	9
Balance sheet	10
Statement of changes in equity	12
Cash flow statement	13
Notes to the financial statements	14

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of DELPRO A/S for the financial year 1 January - 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2024.

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

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

Vamdrup, 25 March 2025
Executive Board:

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Glenn Aagesen
Director

.....
Lone Søgaard Sall
Director

Board of Directors:

.....
Birgitte Brinch Madsen
Chairman

.....
Carsten Friis
Deputy Chairperson

.....
Jens Kristian Kjærulff
Damsgaard

.....
David Packness Meyer

.....
Annika Hofmann Schelde

.....
Jacob Christian Rath

.....
Peter Asger Garver

Independent auditor's report

To the shareholders of DELPRO A/S

Opinion

We have audited the financial statements of DELPRO A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations as well as the cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

Independent auditor's report

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- ▶ Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 25 March 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Lars Mortensen
State Authorised Public Accountant
mne32743

Karen Jørgensen
State Authorised Public Accountant
mne40029

Management's review

Company details

Name	DELPRO A/S
Address, Postal code, City	Bavnevej 50, 6580 Vamdrup
CVR no.	25 01 97 76
Established	1 November 1999
Registered office	Kolding
Financial year	1 January - 31 December
Website	www.DELPRO.dk
E-mail	del@delpro.dk
Telephone	+45 76 32 27 00
Board of Directors	Birgitte Brinch Madsen, Chairman Carsten Friis, Deputy Chairperson Jens Kristian Kjærulff Damsgaard David Packness Meyer Annika Hofmann Schelde Jacob Christian Rath Peter Asger Garver
Executive Board	Glenn Aagesen, Director Lone Søgaard Sall, Director
Auditors	EY Godkendt Revisionspartnerselskab Skibbroen 16, 6200 Aabenraa, Denmark

Management's review

Financial highlights

DKK'000	2024	2023	2022	2021	2020
Key figures					
Gross profit	30,509	26,766	32,884	28,719	29,640
Operating profit/loss	-236	-8,136	6,508	4,862	5,897
Net financials	1,136	3,144	-2,684	-441	-579
Profit/loss for the year	1,630	-2,836	2,659	3,391	4,688
Financial ratios					
Equity ratio	21.4%	20.4%	18.9%	20.6%	25.7%
Return on equity	8.4%	-16.6%	16.2%	21.4%	33.9%
Average number of full-time employees					
	147	159	145	138	107

Management's review

Business review

The Company's objective is to perform installation and services of high installations, primarily within transmission and distribution, wind turbines, solar cells, data centers, railways and industrial enterprises.

Financial review

The income statement for 2024 shows a profit of DKK 1,630 thousand against a loss of DKK 2,836 thousand last year, and the balance sheet at 31 December 2024 shows equity of DKK 21,484 thousand.

In the annual report for 2023, Management expected a profit in the range of DKK 5,500-6,500 thousand.

The profit for 2024 is affected by the world wide challenges in supply chain. It has caused postponement of several projects for 2024.

As a result of the postponement of the projects, the profit is negatively affected, and this a result is realized that is lower than what was expected for 2024 in the 2023 annual report.

Management considers the Company's financial performance in the year unsatisfactory.

Knowledge resources

The employees' intellectual capital resources consist partly of competences obtained through formal education, partly of competence development through performance of work. The Company conducts appraisals every year to continually adjust the Company's competencies to the needs of the business.

DELPRO has its own high voltage training center placed at the HQ in Vamdrup. This is used to assess and to further develop the competences of the technicians.

Impact on the external environment

In connection with services performed for the customers, the Company handles installations and components containing xenobiotics:

▶ Oil

Transformers, high-voltage switchgear and cables may contain oil.
The oil quality is monitored, and if necessary, the oil is purified and recycled in a closed process.
When scrapping oil-containing components, the oil is tapped and sent to an environmentally approved company

▶ SF6 gas (greenhouse gas)

High-voltage switchgear may contain SF6 gas.
The gas is monitored, and if necessary, the gas is purified and recycled in a closed process.
All handling of SF6 gas is performed by trained and certified staff

Research and development activities

Development projects consist of software solutions that are part of DELPRO's digitalisation strategy. The projects are expected to provide substantial benefits to a wide range of areas of DELPRO's business. The projects are expected to be completed in the next couple of years.
There are no special preconditions for DELPRO to be able to utilize the benefits of the projects

Foreign branches

The company has a branch in the Norway, Delpro NUF.

Management's review

Outlook

The Company's revenue for 2025 is expected to increase by approx. 5-10 % .
On this basis, a profit in the range of DKK 8,000-9,000 thousand is expected for 2025.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2024	2023
	Gross profit	30,509,258	26,765,602
14	Distribution costs	-5,462,100	-5,548,370
14,3	Administrative expenses	-24,955,244	-29,243,593
	Operating profit/loss	91,914	-8,026,361
	Income from investments in group enterprises	4,065,745	5,294,195
	Financial income	819	739,380
	Financial expenses	-2,931,015	-2,890,006
	Profit/loss before tax	1,227,463	-4,882,792
4	Tax for the year	402,104	2,046,393
	Profit/loss for the year	1,629,567	-2,836,399

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2024	2023
	ASSETS		
	Fixed assets		
6	Intangible assets		
	Completed development projects	4,298,990	2,243,449
	Acquired intangible assets	20,770	60,278
	Development projects in progress and prepayments for intangible assets	1,845,829	1,675,140
		<u>6,165,589</u>	<u>3,978,867</u>
7	Property, plant and equipment		
	Land and buildings	16,225,000	13,725,000
	Plant and machinery	1,346,365	2,496,700
	Leasehold improvements	598,457	574,663
		<u>18,169,822</u>	<u>16,796,363</u>
8	Investments		
	Investments in group enterprises	10,727,896	6,513,465
	Other receivables	357,383	255,120
		<u>11,085,279</u>	<u>6,768,585</u>
	Total fixed assets	<u>35,420,690</u>	<u>27,543,815</u>
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	1,289,886	1,515,761
		<u>1,289,886</u>	<u>1,515,761</u>
	Receivables		
	Trade receivables	35,041,726	34,774,896
9	Construction contracts	13,647,609	5,895,093
	Receivables from group enterprises	8,719,236	8,774,341
12	Deferred tax assets	1,520,000	2,274,000
	Other receivables	1,147,641	897,330
10	Prepayments	3,788,440	3,949,726
		<u>63,864,652</u>	<u>56,565,386</u>
	Cash	<u>19,620</u>	<u>98,052</u>
	Total non-fixed assets	<u>65,174,158</u>	<u>58,179,199</u>
	TOTAL ASSETS	<u>100,594,848</u>	<u>85,723,014</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
11	Share capital	6,000,000	6,000,000
	Revaluation reserve	5,890,512	3,631,371
	Net revaluation reserve according to the equity method	9,392,603	5,259,915
	Reserve for development costs	3,872,496	2,851,295
	Retained earnings	-3,671,795	-214,617
	Total equity	21,483,816	17,527,964
	Liabilities other than provisions		
13	Non-current liabilities other than provisions		
	Mortgage debt	7,554,325	7,914,871
	Lease liabilities	396,000	971,079
	Other payables	5,987,586	6,225,420
		13,937,911	15,111,370
	Current liabilities other than provisions		
13	Short-term part of long-term liabilities other than provisions	628,185	309,129
	Bank debt	19,944,901	15,546,769
9	Prepayments on work in progress	975,328	366,840
	Trade payables	23,754,577	13,236,303
	Payables to group enterprises	8,818,570	4,688,258
	Corporation tax payable	3,469	3,469
	Joint taxation contribution payable	3,260	3,260
	Payables to shareholders and management	0	3,300,000
	Other payables	11,044,831	15,629,652
		65,173,121	53,083,680
	Total liabilities other than provisions	79,111,032	68,195,050
	TOTAL EQUITY AND LIABILITIES	100,594,848	85,723,014

- 1 Accounting policies
- 2 Events after the balance sheet date
- 5 Appropriation of profit/loss
- 15 Contractual obligations and contingencies, etc.
- 16 Security and collateral
- 17 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK	Share capital	Revaluation reserve	Net revaluation reserve according to the equity method	Reserve for development costs	Retained earnings	Total
	Equity at 1 January 2024	6,000,000	3,631,371	5,259,915	2,851,295	-214,617	17,527,964
5	Transfer, see "Appropriation of profit/loss"	0	0	4,065,544	1,021,201	-3,457,178	1,629,567
	Adjustment of investments through foreign exchange adjustments	0	0	67,144	0	0	67,144
	Revaluations for the year	0	2,896,141	0	0	0	2,896,141
	Tax on items recognised directly in equity	0	-637,000	0	0	0	-637,000
	Equity at 31 December 2024	6,000,000	5,890,512	9,392,603	3,872,496	-3,671,795	21,483,816

Financial statements 1 January - 31 December

Cash flow statement

Note	DKK	2024	2023
	Profit/loss for the year	1,629,567	-2,836,399
18	Adjustments	1,159,374	-2,792,091
	Cash generated from operations (operating activities)	2,788,941	-5,628,490
19	Changes in working capital	-1,340,555	15,304,102
	Cash generated from operations (operating activities)	1,448,386	9,675,612
	Interest received, etc.	819	739,380
	Interest paid, etc.	-2,931,014	-2,890,006
	Income taxes paid	0	-61,783
	Cash flows from operating activities	-1,481,809	7,463,203
	Additions of intangible assets	-2,799,026	-840,027
	Additions of property, plant and equipment	-438,242	-1,217,669
	Disposals of property, plant and equipment	406,200	110,000
	Acquisition of companies	-81,743	-995,000
	Cash flows to investing activities	-2,912,811	-2,942,696
	Proceeds/repayments of debt to credit institutions	4,398,132	-11,556,706
	Proceeds/repayments of debt, group enterprises, net	885,417	7,304,853
	Repayments, long-term liabilities, net	-967,361	-432,342
	Cash flows from financing activities	4,316,188	-4,684,195
	Net cash flow	-78,432	-163,688
	Cash and cash equivalents at 1 January	98,052	261,740
20	Cash and cash equivalents at 31 December	19,620	98,052

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of DELPRO A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

DELPRO A/S is covered by the consolidated financial statements of Friis Group A/S, Haderslev, CVR-nummer 26 49 13 20.

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

Reporting currency

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

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

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

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

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

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

Gross profit

The items revenue, production costs and other operating income have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Production costs

Production costs comprise costs incurred in generating the revenue for the year. Such costs include materials for use in the construction contracts, wages and salaries, rent and leases, as well as depreciation on production plant and so on.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Also, provision for losses on construction contracts is recognised.

Distribution costs

Distribution costs comprise costs incurred for sale of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses.

Administrative expenses

Administrative expenses include expenses incurred in the year for company management and administration, including expenses relating to administrative staff, Management, office premises and expenses as well as amortisation/depreciation of assets used for administrative purposes.

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including gains on the disposal of intangible assets and property, plant and equipment, etc.

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In subsidiaries, the full elimination of internal profit and loss is carried out without regard to ownership shares.

Financial income and expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses, exchange rate adjustments, interest rates relating to financial leasing and so on.

Tax

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

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

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

Balance sheet

Intangible assets

Other intangible assets include other acquired intangible rights, including software licences and so on.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Acquired intangible assets are amortised over 3-5 years.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 5 years and cannot exceed 10 years.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Property, plant and equipment

Land and buildings are revalued at fair value.

Revaluations and their reversals less deferred tax are recognised directly in equity.

The fair value is calculated on the basis of a return-based model (level 3 of the fair value hierarchy) based on the property's operating return and an individually determined business requirement. The business requirement in 2024 is determined to approximately 8,7 %.

The carrying value, corresponding to cost plus revaluation less any residual value, is depreciated over the remaining useful life, which is expected to amount to 29 years.

The depreciation period and residual value are determined at the time of the most recent fair value adjustment and are reassessed annually.

Depreciation is recognised in the profit and loss account.

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

Land and buildings are revalued at fair value. Revaluations and reversals hereof, less deferred tax, are taken directly to equity. The fair value is calculated on the basis of an external assessment, which is based on discounted cash flows.

Leases

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

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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

Investments in group entities

Equity investments in group entities are measured according to the equity method.

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

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

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

Dividend received is deducted from the carrying amount.

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

Impairment of fixed assets

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

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

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

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

Inventories

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.

Receivables

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

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Construction contracts

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

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

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

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

Prepayments

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

Cash

Cash comprises cash in hand.

Equity

Revaluation reserve

The reserve comprises revaluations of Land and buildings relative to cost net of deferred tax.

The revaluation reserve is reduced by the depreciation charges relating to the revaluation.

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

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

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

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Payables to credit institutions

Mortgage debt is recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, mortgage debt is measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other payables

Other payables are measured at net realisable value.

Lease liabilities

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

Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash.

Financial ratios

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

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

Financial statements 1 January - 31 December

Notes to the financial statements

2 Events after the balance sheet date

No events of material importance to the financial position of the undertaking occurred after the balance sheet date.

DKK	2024	2023
3 Amortisation/depreciation of intangible assets and property, plant and equipment		
Amortisation of intangible assets	612,304	553,543
Depreciation of property, plant and equipment	1,682,283	1,954,328
	<u>2,294,587</u>	<u>2,507,871</u>

Amortisation/depreciation of intangible assets and property, plant and equipment is recognised in the income statement under the following items:

Production costs	1,131,185	1,618,777
Administrative expenses	1,163,402	889,094
	<u>2,294,587</u>	<u>2,507,871</u>

4 Tax for the year

Estimated tax charge for the year	0	3,469
Deferred tax adjustments in the year	-495,081	-2,217,848
Tax adjustments, prior years	92,977	167,986
	<u>-402,104</u>	<u>-2,046,393</u>

5 Appropriation of profit/loss

Recommended appropriation of profit/loss		
Net revaluation reserve according to the equity method	4,065,544	5,180,694
Other reserves	1,021,201	164,128
Retained earnings/accumulated loss	-3,457,178	-8,181,221
	<u>1,629,567</u>	<u>-2,836,399</u>

Financial statements 1 January - 31 December

Notes to the financial statements

6 Intangible assets

DKK	Completed development projects	Acquired intangible assets	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2024	2,789,285	1,564,959	1,675,140	6,029,384
Additions	1,882,029	0	916,997	2,799,026
Transferred	746,308	0	-746,308	0
Cost at 31 December 2024	5,417,622	1,564,959	1,845,829	8,828,410
Impairment losses and amortisation at 1 January 2024	545,836	1,504,681	0	2,050,517
Amortisation for the year	572,796	39,508	0	612,304
Impairment losses and amortisation at 31 December 2024	1,118,632	1,544,189	0	2,662,821
Carrying amount at 31 December 2024	4,298,990	20,770	1,845,829	6,165,589
Amortised over	5 years	3-5 years		

Development projects consist of software solutions that are part of DELPRO's digitalisation strategy. The projects are expected to provide substantial benefits to a wide range of areas of DELPRO's business.

The projects are expected to be completed in the next couple of years. There are no special preconditions for DELPRO to be able to utilize the benefits of the projects.

Financial statements 1 January - 31 December

Notes to the financial statements

7 Property, plant and equipment

DKK	Land and buildings	Plant and machinery	Leasehold improvements	Total
Cost at 1 January 2024	11,080,970	14,049,645	755,452	25,886,067
Additions	51,680	259,492	127,070	438,242
Disposals	0	-1,108,339	0	-1,108,339
Cost at 31 December 2024	11,132,650	13,200,798	882,522	25,215,970
Revaluations at				
1 January 2024	4,655,604	0	0	4,655,604
Value adjustments for the year	2,896,141	0	0	2,896,141
Revaluations at				
31 December 2024	7,551,745	0	0	7,551,745
Impairment losses and depreciation at				
1 January 2024	2,011,574	11,552,945	180,789	13,745,308
Depreciation	447,821	1,131,186	103,276	1,682,283
Reversal of accumulated depreciation and impairment of assets disposed	0	-829,698	0	-829,698
Impairment losses and depreciation at				
31 December 2024	2,459,395	11,854,433	284,065	14,597,893
Carrying amount at 31 December 2024	16,225,000	1,346,365	598,457	18,169,822
Carrying amount at 31 December 2024, if no revaluation had been made	8,843,256	0	0	
Property, plant and equipment include finance leases with a carrying amount totalling	0	439,334	0	439,334
Depreciated over	25-30 years	3-8 years	4-7 years	

Note 16 provides more details on security for loans, etc. as regards property, plant and equipment.

Financial statements 1 January - 31 December

Notes to the financial statements

8 Investments

DKK	Investments in group enterprises	Other receivables	Total
Cost at 1 January 2024	1,253,550	255,120	1,508,670
Additions	81,743	102,263	184,006
Cost at 31 December 2024	1,335,293	357,383	1,692,676
Value adjustments at 1 January 2024	5,259,915	0	5,259,915
Foreign exchange adjustments	66,943	0	66,943
Profit/loss for the year	4,065,745	0	4,065,745
Value adjustments at 31 December 2024	9,392,603	0	9,392,603
Carrying amount at 31 December 2024	10,727,896	357,383	11,085,279

Group entities

Name	Legal form	Domicile	Interest
DELPRO Poland SP. z.o.o	z.o.o.	Polen	100.00%
DELPRO NL B.V.	B.V.	Holland	100.00%
DELPRO WIND	A/S	Denmark	100.00%
DELPRO USA	LLC	USA	100.00%

DKK	2024	2023
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9 Construction contracts

Selling price of work performed	59,994,232	26,377,251
Progress billings	-47,321,951	-20,848,998
	12,672,281	5,528,253

recognised as follows:

Construction contracts (assets)	13,647,609	5,895,093
Construction contracts (liabilities)	-975,328	-366,840
	12,672,281	5,528,253

10 Prepayments

Prepayments consists of prepaid subscriptions, circulation tax, lease and so on.

11 Share capital

Analysis of the share capital:

60,000 shares of DKK 100.00 nominal value each	6,000,000	6,000,000
	6,000,000	6,000,000

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2024	2023
12 Deferred tax		
Deferred tax at 1 January	-2,274,000	-1,134,000
Recognised in the income statement	-495,081	-2,217,548
Recognised in equity	637,000	1,024,233
Adjustment deferred tax, previous years	0	53,315
Transferred to joint taxation	612,081	0
Deferred tax at 31 December	-1,520,000	-2,274,000
Deferred tax relates to:		
Intangible assets	1,338,124	857,045
Property, plant and equipment	722,180	300,551
Receivables	152,670	180,547
Tax loss	-3,681,968	-3,561,137
Other non-taxable temporary differences	-51,006	-51,006
	-1,520,000	-2,274,000
Analysis of the deferred tax		
Deferred tax assets	-1,520,000	-2,274,000
	-1,520,000	-2,274,000

It is the Management assessment that the deferred tax assets can be used within 3-5 years. The recognition is based on Management's expectations for future earnings.

13 Non-current liabilities other than provisions

DKK	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Mortgage debt	7,908,193	353,868	7,554,325	6,032,213
Lease liabilities	396,000	0	396,000	0
Other payables	6,261,903	274,317	5,987,586	0
	14,566,096	628,185	13,937,911	6,032,213

For other payables, no repayment arrangement has been agreed, which is why the outstanding debt after 5 years cannot be indicated.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2024	2023
14 Staff costs		
Wages/salaries	93,273,004	101,306,478
Pensions	9,364,216	9,126,458
Other social security costs	1,414,391	1,638,285
Other staff costs	3,243,407	3,178,826
	<u>107,295,018</u>	<u>115,250,047</u>

Staff costs are recognised as follows in the financial statements:

Production costs	86,795,195	90,986,883
Distribution costs	4,919,562	4,726,502
Administrative expenses	15,580,261	19,536,662
	<u>107,295,018</u>	<u>115,250,047</u>

Average number of full-time employees	<u>147</u>	<u>159</u>
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Total remuneration to Management (Executive Board and Board of Directors): DKK 2,691 thousand (2023: DKK 2,743 thousand)

15 Contractual obligations and contingencies, etc.

DELPRO A/S is included in the joint taxation circle with the Friis Group, where Friis Group A/S is the management company.

DELPRO A/S is jointly and severally liable with the other jointly taxed companies for the total corporate income tax.

The company shall be jointly and severally liable with the other jointly taxed companies for any obligations to withhold withholding tax on interest, royalties and dividends.

Other financial obligations

DELPRO A/S has liabilities under operating leases, totalling DKK 19,402 thousand with remaining contract terms up to 58 months.

In addition, the company has entered into lease agreements for premises, where the obligation as of 31 December 2024 during the non-termination period (maximum 34 months) amounts to DKK 1,845 thousand.

16 Security and collateral

The company's bank and insurance company has provided third-party guarantees that are usual to the business. Guarantees at 31. december 2024 amount to DKK 10,246 thousand.

Bank loans are secured by way of floating charge of DKK 11 mio. nominal secured on unsecured claims, inventories, operating equipment, etc. The carrying amount of the assets pledged is DKK 37,239 thousand as of 31. december 2024.

As security for DELPRO Holding A/S and DELPRO Wind A/S' bank loans, a unlimited self-guarantee of all debt has been provided. Additionally, a limited self-guarantee has been issued for DELPRO Wind A/S one bankaccount amounting DKK 5 mio.

The bank loans at 31. december 2024 totals DKK 12,167 thousand.

As security for debt to mortgage bank, DKK 8,183 thousand, security has been provided in the form of an owner's mortgage deed of nomination of DKK 8,224 thousand in land and buildings whose carrying value as at 31 December 2024 is DKK 16,225 thousand.

Financial statements 1 January - 31 December

Notes to the financial statements

16 Security and collateral (continued)

The company has provided a letter of indemnity with a principal amount of DKK 25 mio. which has been pledged as security for the bank concerning their facility.

17 Related parties

DELPRO A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Friis Group A/S	Haderslev	Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Friis Group A/S	Haderslev	Cvr.dk

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

DKK	2024	2023
18 Adjustments		
Amortisation/depreciation and impairment losses	2,994,587	2,507,871
Gain/loss on the sale of non-current assets	-297,559	-110,000
Income from investments in group entities	-4,065,745	-5,294,195
Financial income	-819	-739,380
Financial expenses	2,931,014	2,890,006
Tax for the year	-402,104	-2,046,393
	<u>1,159,374</u>	<u>-2,792,091</u>
19 Changes in working capital		
Change in inventories	225,875	-170,742
Change in receivables	-7,493,393	14,313,275
Change in trade and other payables	5,926,963	1,161,569
	<u>-1,340,555</u>	<u>15,304,102</u>
20 Cash and cash equivalents at year-end		
Cash according to the balance sheet	19,620	98,052
	<u>19,620</u>	<u>98,052</u>

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Lone Søgaard Sall

Director

On behalf of: DELPRO A/S

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2025-03-25 13:34:17 UTC



Glenn Aagesen

Director

On behalf of: DELPRO A/S

Serial number: 3c450878-7069-4b0f-a2d1-90c09d9ded41

IP: 87.104.xxx.xxx

2025-03-25 16:06:23 UTC



Carsten Friis

Board of directors

On behalf of: DELPRO A/S

Serial number: 423b5802-085a-46e1-ba04-26b92eb296b9

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2025-03-25 16:12:42 UTC



Jacob Christian Rath

Board of directors

On behalf of: DELPRO A/S

Serial number: ea20d04d-32ae-45a7-88d7-1bbee4717a69

IP: 217.116.xxx.xxx

2025-03-26 06:22:47 UTC



Birgitte Brinch Madsen

Board of directors

On behalf of: DELPRO A/S

Serial number: e111bcc3-102b-4553-8914-1d1c3f261040

IP: 87.49.xxx.xxx

2025-03-26 06:55:38 UTC



Annika Hofmann Schelde

Board of directors

On behalf of: DELPRO A/S

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Jens Kristian Kjærulff Damsgaard

Board of directors

On behalf of: DELPRO A/S

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2025-03-26 18:01:16 UTC



David Packness Meyer

Board of directors

On behalf of: DELPRO A/S

Serial number: 7a40d925-99fd-4618-a388-405f6efd984b

IP: 2.108.xxx.xxx

2025-03-27 17:06:10 UTC



Lars Gosvig Mortensen

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 2d85e4bf-39de-48be-9d8c-7337c3225dfb

IP: 165.225.xxx.xxx

2025-03-27 20:35:30 UTC



Karen Jørgensen

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 2bdf0a54-6191-4965-852e-c04dc31ae4bc

IP: 165.225.xxx.xxx

2025-03-28 04:14:09 UTC



Glenn Aagesen

Chairman

On behalf of: DELPRO A/S

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