



Jupiter Bach A/S

Theilgaards Allé 9, 1. tv
4600 Køge
CVR No. 71078418

Annual report 2022

The Annual General Meeting adopted the
annual report on 06.07.2023

Søren Friis Knudsen

Chairman of the General Meeting

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Entity details

Entity

Jupiter Bach A/S
Theilgaards Allé 9, 1. tv
4600 Køge

Business Registration No.: 71078418
Registered office: Køge
Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Frank Virenfeldt Nielsen
Søren Friis Knudsen
Thomas Bechmann
Arne Handeland

Executive Board

Andreas Kipker

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Jupiter Bach A/S for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Køge, 06.07.2023

Executive Board

Andreas Kipker

Board of Directors

Frank Virefeldt Nielsen

Søren Friis Knudsen

Thomas Bechmann

Arne Handeland

Independent auditor's report

To the shareholders of Jupiter Bach A/S

Opinion

We have audited the financial statements of Jupiter Bach A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity 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.

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 Entity'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 financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 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.

Copenhagen, 06.07.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Nikolaj Thomsen

State Authorised Public Accountant
Identification No (MNE) mne33276

Brian Schmit Jensen

State Authorised Public Accountant
Identification No (MNE) mne40050

Management commentary

Financial highlights

	2022	2021	2020	2019	2018
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	455,244	711,664	605,429	821,676	658,965
Gross profit/loss	(48,033)	(16,847)	19,114	74,699	59,406
Operating profit/loss	(73,587)	(57,084)	(15,785)	22,365	12,488
Net financials	(19,062)	(14,656)	(10,349)	(15,785)	(18,109)
Profit/loss for the year	(93,051)	(65,442)	12,229	13,806	(3,312)
Total assets	444,529	518,443	456,556	441,431	463,403
Investments in property, plant and equipment	665	1,020	1,070	1,257	10,878
Equity	(56,810)	36,010	94,708	92,487	76,641
Average number of employees	19	35	35	51	55
Ratios					
Gross margin (%)	(10.55)	(2.37)	3.16	9.09	9.02
Net margin (%)	(20.44)	(9.20)	2.02	1.68	(0.50)
Equity ratio (%)	(12.78)	6.95	20.74	20.95	16.54

Based of the Danish Business Authority's guidance on the accounting treatment of offset accounts, changes to gross profit for 2022 and 2021 have been applied. The change has an impact on gross margin in 2022 and 2021.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$

Net margin (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Primary activities

The Company's primary activities comprise sale and production of composite components for the wind turbine industry.

Development in activities and finances

The Company's income statement for 2022 shows a loss of mDKK 93 and the balance sheet at 31 December 2022 shows a negative equity of mDKK 57. Management considers the loss, not satisfactory.

The reorganisation carried out at the end of 2021 had a positive impact on staff costs in 2022. The reorganisation successfully moved some of the centrally controlled tasks and responsibilities to the factories outside Denmark.

To recapitalize the Company for the expected growth in the following years, the Company have secured an capital injection of mDKK 60 in beginning of 2023 as well as entered a new loan agreement with the bank.

Profit/loss for the year in relation to expected developments

Revenue and profit for 2022 declined compared to the expectations due to a lower level of activity. The result has been lower than expectations due to changes in the macro environment in matters of changes in prices of freight, raw materials and inflation.

Uncertainty relating to recognition and measurement

As part of the preparation of the financial statements, Management makes a number of significant accounting estimates, judgements and assumptions as a basis for recognizing and measuring the Company's assets as well as judgements made in applying the Company's accounting policies. The estimates, judgements and assumptions made are based on historical experience and other relevant factors. The actual results may deviate from such estimates.

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. Management considers the following accounting estimates and judgements to be significant in the preparation of the financial statements: Impairment of investments in group enterprises including goodwill, intangible assets and deferred tax assets.

The accounting policies are described in detail in accounting policies to the financial statements to which we refer.

Outlook

The global market for wind turbines has been facing a slow down as inflationary cost, an unstable geopolitical situation, and continued covid-related impact resulted in market contraction in 2022, which is expected to continue into 2023. The company expects global wind turbine installations to increase starting from 2024. The increase will be fueled by growing offshore installations in UK, the Inflation Reduction Act in USA as well as the Green Deal Industrial Plan in Europe.

Based on the financial result in 2021-22 combined with market expectations, Jupiter Bach has increased sales prices to secure a profitable return. On the basis of the customer agreements, the Company is expecting to deliver positive operating profits starting from 2023. Expected profit before tax for 2023 is between negativ mDKK 10 and DKK 0.

Use of financial instruments

Price risks

Soaring commodity prices and increasing transportation rates may affect the results negatively. Some of the prices on raw materials are indirectly controlled by the oil prices. To the extent possible the commitments on sourcing prices are aligned with commitments on selling prices.

Currency and interest rate risks

The Company sells product predominantly settled in DKK, EUR, CNY or USD and its cost base is mainly settled in CNY, PLN, EUR, DKK and USD. The company has in general chosen not to hedge currency risks, however, some ad-hoc hedging could take place. The majority of the Company's payables to credit institutions comprise floating-rate loans.

Quality risks

The company produces customized GRP parts (glass reinforced plastic) in manual processes according to customer specifications. The quality of the parts is managed and controlled via the company's global quality management system including ISO 9001 certification.

Knowledge resources

The Company continues to strengthen its management platform and thus its knowledge base is today well documented and spread to a wider group of employees. Strengthening of Management skills also continues to be a key focus point.

Statutory report on corporate social responsibility

Business model

The Jupiter Bach's business model is as described under primary activities.

Sustainability is essential to Jupiter Bach and the company acknowledges its responsibilities and it is committed to do their part for a better world. The company has assessed the UN Sustainability Goals and selected 5 of the goals as primary focus. The company releases a yearly sustainability/CSR report in the 2nd quarter of the year which is available at www.jupiterbach.com. Jupiter Bach has been a signatory of UN Global Compact since 2019.

Jupiter Bach follows the laws and regulations wherever they operate. In some countries, local laws, regulations, or industry codes may be more stringent than Jupiter Bach policies. In others, Jupiter Bach policies may be more stringent. The company always follows the more stringent rules. The commitment is described in the company's Code of Conduct available at www.jupiterbach.com.

Jupiter Bach is certified towards Health & Safety and Environment and the policy is available at www.jupiterbach.com.

Below is a description of the activities within the areas of most importance to Jupiter Bach.

People - employee matters, human and labor rights

The company has a strong uniform global Health and Safety Management system certified by Bureau Veritas. In 2022 our QHSE multisite management system have been successfully re-certified.

Internationally recognized human and labor rights are respected as well as the dignity of every individual. The company condemns child labor as well as force and compulsory labor. Discrimination, harassment, and retaliation are not tolerated, and a harassment policy was implemented in 2020. The company's demands and expectations related to human and labor rights are similar towards suppliers and business partners. Via a thorough risk management process risks are identified, assessed, and mitigated. The most significant risks for safety at our production sites relate to ergonomics, chemicals, and dust. At headquarter the most significant risk relates to stress. Mitigations are implemented via protective programs and improvement projects. For human and labor rights the risks are assessed to be low in Jupiter Bach and more related to the supply chain where improved risk mitigation was initiated in 2020 via strengthened Supplier Code of Conduct and audit process. New Supplier Code of Conduct as well as a Gift & Entertainment policy related were released in 2021.

Health and safety of employees is the company's number one priority, and a set of guiding principles were implemented in 2020. The company tracks the safety performance through KPI's related injuries, illness, and chemicals. The progress is positive, and it is reflected in the main KPI related to Health and Safety, the frequency of lost time injuries which globally decreased by 65% in 2022 compared to 2021.

The company is not aware of any breaches concerning human or labor rights in Jupiter Bach or the supply chain in 2022.

The company expects to further improve the defined KPI's as well as strengthen the process towards the supply chain.

Environment and climate

The company has a strong uniform global Environmental Management system certified by Bureau Veritas towards ISO14001, also multisite re-certified in 2022.

Environmental risks and aspects are identified, assessed, and mitigated through a global process. The most significant local environmental risks are related to fire at production sites and the aspects relate to generation of waste and consumption of energy and water. The risk of fire is mitigated through comprehensive emergency preparedness processes and no fires or indications of such have been observed in 2022.

The environmental aspects are tracked via a set of KPI's on waste generation and consumption of energy and water. The KPIs show promising progress for 2022.

Since 2018 the company has tracked its carbon emissions globally (scope 1 and 2) according to the Greenhouse Gas Protocol as a part of the climate risk management. The carbon inventory was in 2020 expanded with selected scope 3 emissions. Full inventory of Green House Emissions (scope 1, 2 and 3) expanded in 2022 with yearly casince 2019.

Further improvements are expected after committing to Science Based Target initiative in 2021, and targets setting and submission expected by 2023.

Anticorruption

Jupiter Bach advocates anticorruption and condemns corruption in all its forms, including extortion and bribery. The company assesses the current risk of corruption and bribery to be low due to the nature of the business as well as strong processes.

It is the policy of Jupiter Bach to work against corruption in any form and not engage directly or indirectly in any form of bribery including facilitation payments. The company developed a gift and entertainment policy which was fully implemented in 2021. The policy defines only to receive or offer gifts, entertainment, or anything other of value, that are proportionate to the situation and within reasonable limits and never where it can unduly influence a business situation. All gifts received or offered must registered and gifts received can never be personal.

Employees are trained in avoiding conflicts of interest and to make sure that personal interests do not unduly influence the professional judgement.

Jupiter Bach is not aware of any breaches concerning bribery and corruption in Jupiter Bach in 2022. The company will in the future continue to advocate anticorruption and will regularly assess the efforts in this regard. To ensure that the policy and requirements continue to be broadly understood in the organization, an e-learning program has been developed and implemented since 2021.

Statutory report on the underrepresented gender

Jupiter Bach has a policy for gender equality at all levels in the organization including management and is committed to provide equal opportunities for all. The policy is stated in the employee manual, and, among other matters, it stipulates the possibilities for flexible career opportunities, working hours, etc.

By end of 2022 the Board of Directors (BoD) consisted of 5 males and no females. The target for gender balance in the BoD is a representation of females by min. 20% by the end of 2024. At this time, no females are in the Board of Directors, which means the target is not met. This is due to now election of new board members in 2023.

The gender balance for leadership positions beside the BoD was 57% male and 43% female by the end of 2022. It is the target of Jupiter Bach to continue to strive for an equal gender balance at management positions. Females are encouraged to apply for management positions equally with males and it is the ambition always to have as minimum one female candidate for leadership positions.

Statutory report on data ethics policy

Jupiter Bach follows the law and regulations in respect to treat all acquired data in a respectful manner. The company does however not have a written policy on data ethics, as solving the task of the company does not require access to personal data, and generally acquired data are only used internally in the company.

In general, all data are treated in an ethically sound manner, and all employees have signed an Employee Code of Conduct to ensure a high standard of integrity. Also, suppliers are requested to sign a Supplier Code of Conduct, as Jupiter Bach want to establish a clear baseline for our expectations towards the suppliers in relation to human rights, business ethics, environment, health, and safety.

Events after the balance sheet date

The Company has received a capital injection of mDKK 60 and renegotiated the terms of the bank debt in the beginning of 2023 to ensure the expected growth in the market in the coming years.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2022

	Notes	2022 DKK'000	2021 DKK '000
Revenue	4	455,244	711,664
Own work capitalised		163	2,351
Other operating income		16	0
Costs of raw materials and consumables		(490,122)	(715,086)
Other external expenses	5	(13,334)	(15,776)
Gross profit/loss		(48,033)	(16,847)
Staff costs	6	(18,012)	(36,442)
Depreciation, amortisation and impairment losses	7	(7,542)	(3,795)
Operating profit/loss		(73,587)	(57,084)
Income from investments in group enterprises		7,826	(8,390)
Other financial income	8	11,901	7,754
Other financial expenses	9	(30,963)	(22,410)
Profit/loss before tax		(84,823)	(80,130)
Tax on profit/loss for the year	10	(8,228)	15,841
Other taxes		0	(1,153)
Profit/loss for the year	11	(93,051)	(65,442)

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Completed development projects	13	62	1,698
Acquired intangible assets		3,319	5,906
Development projects in progress	13	13,189	12,925
Intangible assets	12	16,570	20,529
Plant and machinery		643	500
Other fixtures and fittings, tools and equipment		78	169
Leasehold improvements		107	547
Property, plant and equipment	14	828	1,216
Investments in group enterprises		267,458	258,737
Receivables from group enterprises		99,276	134,565
Deposits		621	422
Financial assets	15	367,355	393,724
Fixed assets		384,753	415,469
Work in progress		2,548	1,829
Manufactured goods and goods for resale		14,072	4,989
Inventories		16,620	6,818
Trade receivables		26,893	47,490
Receivables from group enterprises		0	770
Deferred tax	16	0	18,462
Other receivables		4,858	14,193
Prepayments	17	3,763	5,057
Receivables		35,514	85,972
Cash		7,642	10,184
Current assets		59,776	102,974
Assets		444,529	518,443

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital		1,266	1,266
Reserve for net revaluation according to the equity method		47,876	39,155
Reserve for development expenditure		10,336	11,250
Retained earnings		(116,288)	(15,661)
Equity		(56,810)	36,010
Payables to group enterprises		30,162	0
Other payables		2,394	2,395
Non-current liabilities other than provisions	18	32,556	2,395
Current portion of non-current liabilities other than provisions	18	160,000	180,000
Bank loans		92,916	73,040
Prepayments received from customers		4,920	6,112
Trade payables		8,263	2,672
Payables to group enterprises		189,610	204,790
Other payables		13,074	13,424
Current liabilities other than provisions		468,783	480,038
Liabilities other than provisions		501,339	482,433
Equity and liabilities		444,529	518,443
Going concern	1		
Events after the balance sheet date	2		
Uncertainty relating to recognition and measurement	3		
Unrecognised rental and lease commitments	19		
Contingent assets	20		
Assets charged and collateral	21		
Related parties with controlling interest	22		
Group relations	23		

Statement of changes in equity for 2022

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Reserve for development expenditure DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,266	39,155	11,250	(15,661)	36,010
Exchange rate adjustments	0	895	0	0	895
Value adjustments	0	0	0	(852)	(852)
Tax of entries on equity	0	0	0	188	188
Dissolution of reserves	0	0	(914)	914	0
Profit/loss for the year	0	7,826	0	(100,877)	(93,051)
Equity end of year	1,266	47,876	10,336	(116,288)	(56,810)

Notes

1 Going concern

Like other global players in the industry, the Company is impacted by changes in the macro environment in matters of changes in prices of freight, raw materials and inflation. Management has initiated mitigating initiatives including re-negotiations with customers and suppliers.

The Company is in breach with loan covenants as of December 31, 2022. As a result all bank debt has been classified as a current liability as of December 31, 2022. The Company has renegotiated the terms of the bank debt in February 2023. The current financial forecast for 2023 shows, that the Company expects to be compliant with loan covenants in 2023.

To ensure going concern, the Company have received a capital injection of mDKK 60 in the beginning of 2023.

2 Events after the balance sheet date

The Company has received a capital injection of mDKK 60 and renegotiated the terms of the bank debt in the beginning of 2023 to ensure the expected growth in the coming years.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

3 Uncertainty relating to recognition and measurement

As part of the preparation of the financial statements, Management makes a number of significant accounting estimates, judgements and assumptions as a basis for recognizing and measuring the Company's assets as well as judgements made in applying the Company's accounting policies. The estimates, judgements and assumptions made are based on historical experience and other relevant factors. The actual results may deviate from such estimates.

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. Management considers the following accounting estimates and judgements to be significant in the preparation of the financial statements: impairment of investments in group enterprises including goodwill, intangible assets and deferred tax assets.

The accounting policies are described in detail in accounting policies to the financial statements to which we refer.

4 Revenue

	2022 DKK'000	2021 DKK'000
Europe	322,254	542,221
America	132,990	169,247
Other	0	196
Total revenue by geographical market	455,244	711,664

It is management's assessment that Jupiter Bach A/S only has one product segment, which is sale of composite components for the wind turbine industry.

5 Fees to the auditor appointed by the Annual General Meeting

	2022 DKK'000	2021 DKK'000
Statutory audit services	330	290
Tax services	63	214
Other services	518	619
	911	1,123

6 Staff costs

	2022 DKK'000	2021 DKK'000
Wages and salaries	16,398	33,800
Pension costs	1,225	1,933
Other social security costs	165	204
Other staff costs	224	505
	18,012	36,442
Average number of full-time employees	19	35

	Remuneration of Management 2022 DKK'000	Remuneration of Management 2021 DKK'000
Executive Board	6,708	7,803
Board of Directors	400	410
	7,108	8,213

Special incentive programmes

In 2016 and 2017, warrants were granted free of charge in VC VIII Jupiter Holding ApS (the Company's Parent) to members of the Executive Board, Board of Directors and other management employees as part of an incentive programme.

A total of 14,579 B warrants, which each give a pre-emption right to a share of nominal DKK 0.1, vested 1/60 share per month at a subscription price of 111. Of these 14,579 B warrants, 2,332 B warrants were granted to registered Executive Directors or board members in the Company. The remaining were granted to management employees.

Exercise of B warrants is particularly contingent on the Group's majority shareholder obtaining a certain accumulated return on the investment. The return is calculated according to closely defined principles.

7 Depreciation, amortisation and impairment losses

	2022	2021
	DKK'000	DKK'000
Amortisation of intangible assets	5,715	2,861
Impairment losses on intangible assets	774	0
Depreciation of property, plant and equipment	1,053	926
Profit/loss from sale of intangible assets and property, plant and equipment	0	8
	7,542	3,795

8 Other financial income

	2022	2021
	DKK'000	DKK'000
Financial income from group enterprises	3,725	3,948
Exchange rate adjustments	8,165	3,778
Other financial income	11	28
	11,901	7,754

9 Other financial expenses

	2022	2021
	DKK'000	DKK'000
Financial expenses from group enterprises	1,677	1,636
Other interest expenses	13,439	7,401
Exchange rate adjustments	10,338	8,331
Other financial expenses	5,509	5,042
	30,963	22,410

10 Tax on profit/loss for the year

	2022	2021
	DKK'000	DKK'000
Change in deferred tax	8,228	(15,922)
Adjustment concerning previous years	0	81
	8,228	(15,841)

11 Proposed distribution of profit and loss

	2022	2021
	DKK'000	DKK'000
Retained earnings	(93,051)	(65,442)
	(93,051)	(65,442)

12 Intangible assets

	Completed development projects DKK'000	Acquired intangible assets DKK'000	Development projects in progress DKK'000
Cost beginning of year	17,820	9,164	12,925
Additions	0	1,492	1,038
Cost end of year	17,820	10,656	13,963
Amortisation and impairment losses beginning of year	(16,122)	(3,258)	0
Impairment losses for the year	0	0	(774)
Amortisation for the year	(1,636)	(4,079)	0
Amortisation and impairment losses end of year	(17,758)	(7,337)	(774)
Carrying amount end of year	62	3,319	13,189

13 Development projects

Development projects in progress and completed development projects consist of development of new products and technologies to improve production methods regarding nacelle covers, modular forms and new production lines. Completed development projects are depreciated over 3 years and all projects have sales amounts in pipeline in the budget. Management expects developments projects in progress to generate sales amount in the future. Therefore management has no indication that the carrying amounts of ongoing or completed projects should be written down.

14 Property, plant and equipment

	Plant and machinery DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	756	656	1,965
Additions	395	0	270
Cost end of year	1,151	656	2,235
Depreciation and impairment losses beginning of year	(256)	(487)	(1,418)
Depreciation for the year	(252)	(91)	(710)
Depreciation and impairment losses end of year	(508)	(578)	(2,128)
Carrying amount end of year	643	78	107

15 Financial assets

	Investments in group enterprises DKK'000	Receivables from group enterprises DKK'000	Deposits DKK'000
Cost beginning of year	219,582	134,565	422
Additions	0	3,724	199
Disposals	0	(39,013)	0
Cost end of year	219,582	99,276	621
Revaluations beginning of year	39,155	0	0
Exchange rate adjustments	895	0	0
Amortisation of goodwill	(11,078)	0	0
Share of profit/loss for the year	22,543	0	0
Adjustment of intra-group profits	(3,639)	0	0
Revaluations end of year	47,876	0	0
Carrying amount end of year	267,458	99,276	621

The carrying amount of goodwill is DKK 50,875 thousands.

Investments in subsidiaries	Registered in	Equity interest %
Jupiter Bach North America, Inc.	USA	100
Jupiter Bach Composites (Dezhou) Co., Ltd	China	100
Jupiter Bach Polska sp. z o.o.	Poland	100
JUPITER BACH ESPAÑA, S.L.U.	Spain	100
UAB Jupiter Bach Lietuva	Lithuania	100

16 Deferred tax

	2022 DKK'000	2021 DKK'000
Intangible assets	(2,145)	(1,610)
Property, plant and equipment	669	64
Provisions	190	2,639
Tax losses carried forward	30,293	17,822
Other deductible temporary differences	(260)	(453)
Deferred tax	28,747	18,462

	2022 DKK'000	2021 DKK'000
Changes during the year		
Beginning of year	18,462	2,265
Recognised in the income statement	(8,228)	15,922
Recognised directly in equity	188	275
Not recognized as asset	(10,422)	0
End of year	0	18,462

17 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

18 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK'000	Due within 12 months 2021 DKK'000	Due after more than 12 months 2022 DKK'000
Bank loans	160,000	180,000	0
Payables to group enterprises	0	0	30,162
Other payables	0	0	2,394
	160,000	180,000	32,556

Other payables consists of long-term holiday pay.

19 Unrecognised rental and lease commitments

	2022 DKK'000	2021 DKK'000
Liabilities under rental or lease agreements with associates until maturity	2,429	2,333

20 Contingent assets

The Company has a tax loss carryforward of DKK 137.694 thousands, equivalent to a tax base of DKK 30,293 thousand, which have not been recognised as a tax asset, as it is considered uncertain whether these losses can be utilised in taxable profit within a shorter period.

21 Assets charged and collateral

As security for the Group's total engagements with Nykredit, Jupiter Bach A/S has granted company charges of nominal DKK 80,600 thousand. Total withdrawal on the banking arrangements amounts to DKK 212.916 thousand at 31.12.2022.

22 Related parties with controlling interest

VC VIII Jupiter Holding ApS, Køge, Denmark (Parent company)

BJP HoldCo AB, Stockholm, Sweden (Parent company of VC VIII Jupiter Holding ApS)

Verdane Capital 2020 (D) AB, Stockholm, Sweden (Parent company of BJP HoldCo AB)

Verdane Fund Manager Future AB (Ultimate parent company)

23 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

BJP HoldCo AB, reg. no. 559261-2948, Stockholm, Sweden.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

BJP HoldCo AB, reg. no. 559261-2948, Stockholm, Sweden.

Copies of the consolidated financial statements of BJP HoldCo AB may be ordered at the following address:

www.cvr.dk in addition to the financial statement of Jupiter Bach A/S, reg. no. 71078418.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

Based of the Danish Business Authority's guidance on the accounting treatment of offset accounts, changes to gross profit for 2022 and 2021 have been applied. The change impacted gross margin in 2022 and 2021.

Besides this, the accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to S 112(1) Danish Financial Statements Act, no consolidated financial statements have been prepared. Jupiter Holding ApS and its subsidiaries are included in the consolidated financial statements of BJO HoldCo AB.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date.

Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question are classified directly as equity.

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and material assets comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as material assets.

Income from investments in group enterprises

Investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish Group entities. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Other taxes

The item includes tax amounts calculated on a basis other than income for the year, which are not refunded to the Entity.

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise software licences, completed development projects and development projects in progress.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Completed development projects are amortised on a straight-line basis using their estimated useful lives of the assets. The amortisation period is 3 years. For development projects, protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. Development projects are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Material assets comprise other fixtures and fittings, tools and equipment and leasehold improvements and are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Plant and machinery	5 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

Estimated useful lives and residual values are reassessed annually.

Material assets are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation period used are 10 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Cash flow statement

Pursuant to S 86(4) Danish Financial Statements Act, the Company has not prepared a cash flow statement as it is included in the group cash flow statement of JBP Holding AS.