

ANNUAL REPORT

2024/25



Welcon Group A/S
Vejlevej 270
7323 Give, Denmark
Central business registration no.: 43 85 11 52

The Annual Report was presented and
approved at the Annual General Meeting
of the company on 25 September 2025
Chairman: Kenneth Nielsen Leth



CONTENTS

MANAGEMENT'S REVIEW

03	WHO WE ARE	14	VSME
04	WELCON GROUP IN NUMBERS	15	DOUBLE MATERIALITY
05	BUSINESS REVIEW	16	VALUE CHAIN
06	FINANCIAL HIGHLIGHTS	17	E1: CLIMATE CHANGE
07	PRODUCTION EXPANSION	19	E2: POLLUTION AND E3: ENERGY
08	OUR VALUES	20	E5: RESOURCE USE AND CIRCULAR ECONOMY
09	OUR TECHNOLOGY	21	S1: OWN WORKFORCE
10	PRODUCTION	24	G1: BUSINESS CONDUCT
11	QUALITY		
12	RISKS		

29	SUSTAINABLE DEVELOPMENT GOALS
30	CO ₂ E ACCOUNTING POLICIES
31	DATA DEFINITIONS AND EXPLANATIONS
32	GROUP STRUCTURE

FINANCIAL STATEMENTS 2024/25

34	INCOME STATEMENT 1 JUNE 2024 – 31 MAY 2025
35	BALANCE SHEET AT 31 MAY 2025
39	STATEMENT OF CHANGES IN EQUITY
40	CASH FLOW STATEMENT 1 JUNE 2024 – 31 MAY 2025
43	NOTES TO THE ANNUAL REPORT
55	ACCOUNTING POLICIES
60	COMPANY DETAILS
61	STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT
62	INDEPENDENT AUDITOR'S REPORT

FOR SIX DECADES, OUR STEEL SOLUTIONS HAVE HELPED PIONEER THE DEVELOPMENT OF THE RENEWABLE ENERGY INDUSTRY

We produce towers and floating foundations for wind turbines and hydrogen pressure vessels, for the renewable energy industry. As one of the leading manufacturers, we have delivered a significant part of towers for offshore wind turbines to the European and US markets.

Despite headwinds in the US market, offshore wind is expected to grow rapidly in the coming years, driven by an accelerating demand for green energy.

In addition, we also see a growing market for onshore wind turbines globally.

The first prototype of the Tetra Spar floating foundation for Stiesdal Offshore Technologies was delivered in 2021. The turbine installed on the floating foundation has since then successfully produced green electricity from its location near Stavanger in Norway.

This year, we continued the production of the next Tetra Sub prototype, which is planned to be delivered in early 2027. There is a tremendous potential globally for offshore wind in deep waters based on floating solutions. Welcon Group is ideally positioned in terms of know-how, technology, and manufacturing capabilities to capitalize on the emerging market for offshore floating wind.

WE HAVE THE WILL, THE SKILLS, AND THE OPPORTUNITIES

We are a strong, experienced, and innovative player in the renewable energy industry. On a continuous basis, we expand and develop our state-of-the-art factory to meet market demands for even larger wind turbines. Through application of robotic technologies and a skilled workforce with strong competencies, we achieve a market-leading position.

We have a business strategy to grow with the market and our customer's needs.

CLIMATE AWARENESS

In a time where the consequences of climate change are becoming increasingly evident, companies worldwide must recognize the important role they play in mitigating its impact. From heat waves and rising waters to rainstorms and forest fires, the profound effects of climate change necessitate urgent action. Welcon Group can impact and accepts the responsibility, making climate awareness an imperative for sustainable success.

The renewable energy transition must happen now. Our mission is to supply products for the green transition to save our planet.

“
The world needs
green solutions
now to address
the challenges with
climate changes
and dependency
on fossil fuels”



**NEARLY
60 YEARS***of experience
within steel
construction***DKK 1.4
BILLION***annual turnover
2024/2025***CAPACITY
+1,350***number of sections
per year***24.0%***solvency
ratio***DKK 2.3
BILLION***total
balance sheet***787***workforce
end of period
(headcount)***DKK 35
MILLION***investments***DKK 548
MILLION***total equity*

STRONG PROFIT IN A YEAR OF EXECUTION

RECORD-BREAKING OUTPUT AND REVENUE

With the strategic build-out of our Give facilities completed last year, 2025 has been dedicated to ramping up operations and delivering at scale. This year, we achieved record-breaking output and revenue, demonstrating the strength of our expanded capacity and advanced production capabilities.

CONTINUOUS IMPROVEMENT

While our activities this year generated a strong profit, we continue to maintain a high focus on increasing profit from operations through continuous improvement, optimizing processes, enhancing efficiency, and driving quality to ensure we remain a strong trustworthy partner in a rapidly growing wind market.

MACRO ECONOMIC IMPACT

The development in the year has been characterized by a decreasing, but still high, level of inflation and interest rates. This impacted not only our business but the entire industry negatively, leading the profitability in the windsector to remain under enormous pressure.

Welcon Group continues to hold a historical high order book with an outlook until 2029.

FINANCIAL REVIEW

The group's income statement for the year ended 31 May 2025 shows an EBITDA of DKK 246.1 million and a profit of DKK 111.0 million. The balance sheet at 31 May 2025 shows an equity of DKK 548.0 million.

The EBITDA of the year is above expectations. This is mainly caused by a better than expected ramp up of the build-out of our facilities in Give and improved efficiency in manufacturing. The EBITDA and profit of the year is considered very satisfactory.

EXPECTED DEVELOPMENT OF THE COMPANY, INCLUDING SPECIFIC PREREQUISITES AND UNCERTAINTIES

Based on confirmed orders and a close to fully booked production capacity, the management expects the financial statements for 2025/2026 to show a turnover at the level of DKK 1.5 billion and EDITDA in the level of DKK 240-250 million.

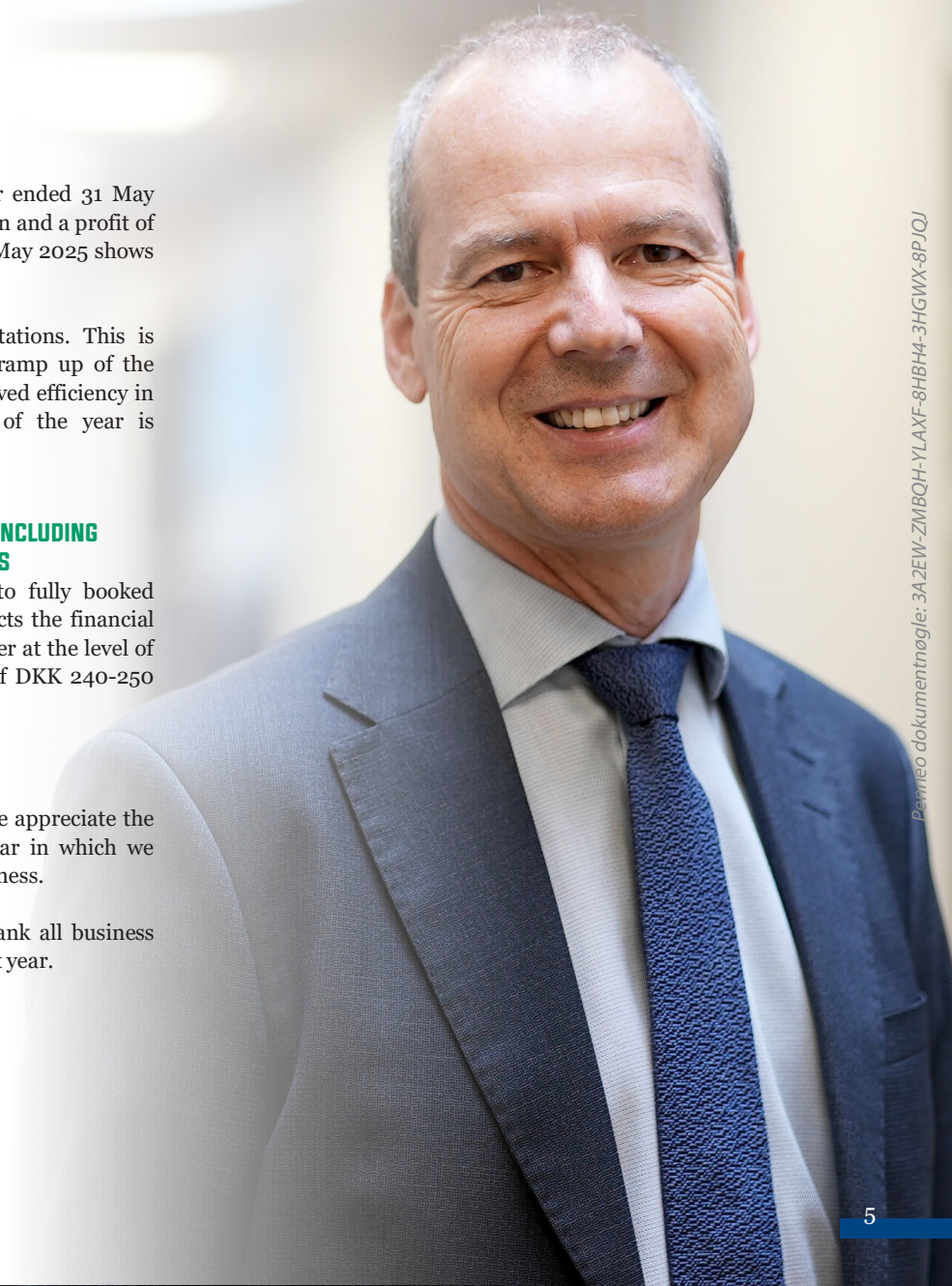
THE YEAR AT A GLANCE

2024/25 has been another exciting year. We appreciate the dedication from all our employees in a year in which we were able to continue the growth of our business.

I would like to take this opportunity to thank all business partners for the good cooperation in the past year.



Jens Risvig Pedersen
CEO

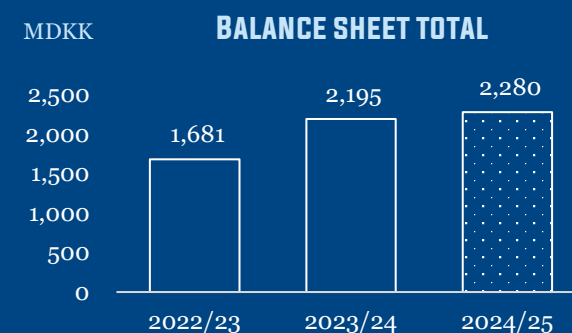
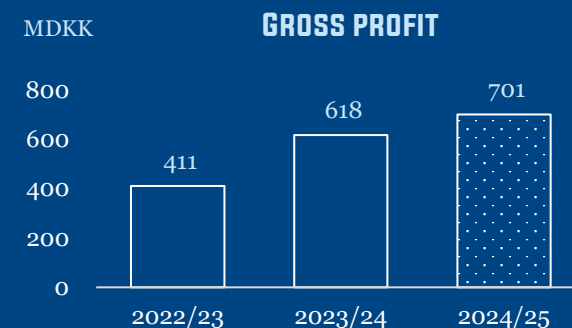
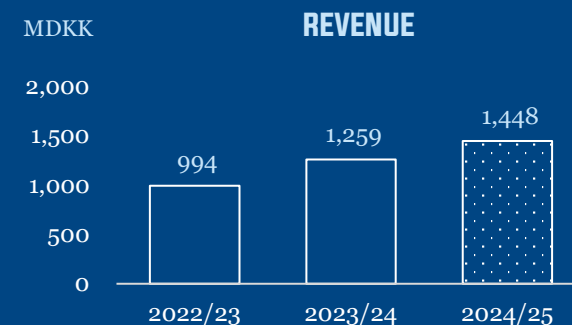


FINANCIAL HIGHLIGHTS AT WELCON GROUP A/S

Seen over a 3-year period, the development of the group may be described by means of the following financial highlights.

	Group		
	2024/25	2023/24	2022/23
	TDKK	TDKK	TDKK
Key figures			
Profit/loss			
Revenue	1,447,671	1,259,195	993,954
Gross profit	701,237	618,065	410,567
Profit before amortisation/depreciation and impairment losses	246,109	125,123	68,700
Operating profit	174,766	71,941	48,399
Net financials	(39,601)	(29,119)	9,644
Profit for the year	111,017	35,830	47,037
Balance sheet			
Balance sheet total	2,280,275	2,195,316	1,680,834
Investment in property, plant and equipment	(35,240)	(476,103)	(503,595)
Equity	547,955	436,938	401,108
Ratios			
Return on assets	8.1%	3.8%	3.8%
Solvency ratio	24.0%	19.9%	23.9%
Return on equity	22.5%	8.6%	12.6%

For definitions of financial ratios, see the summary of significant accounting policies.

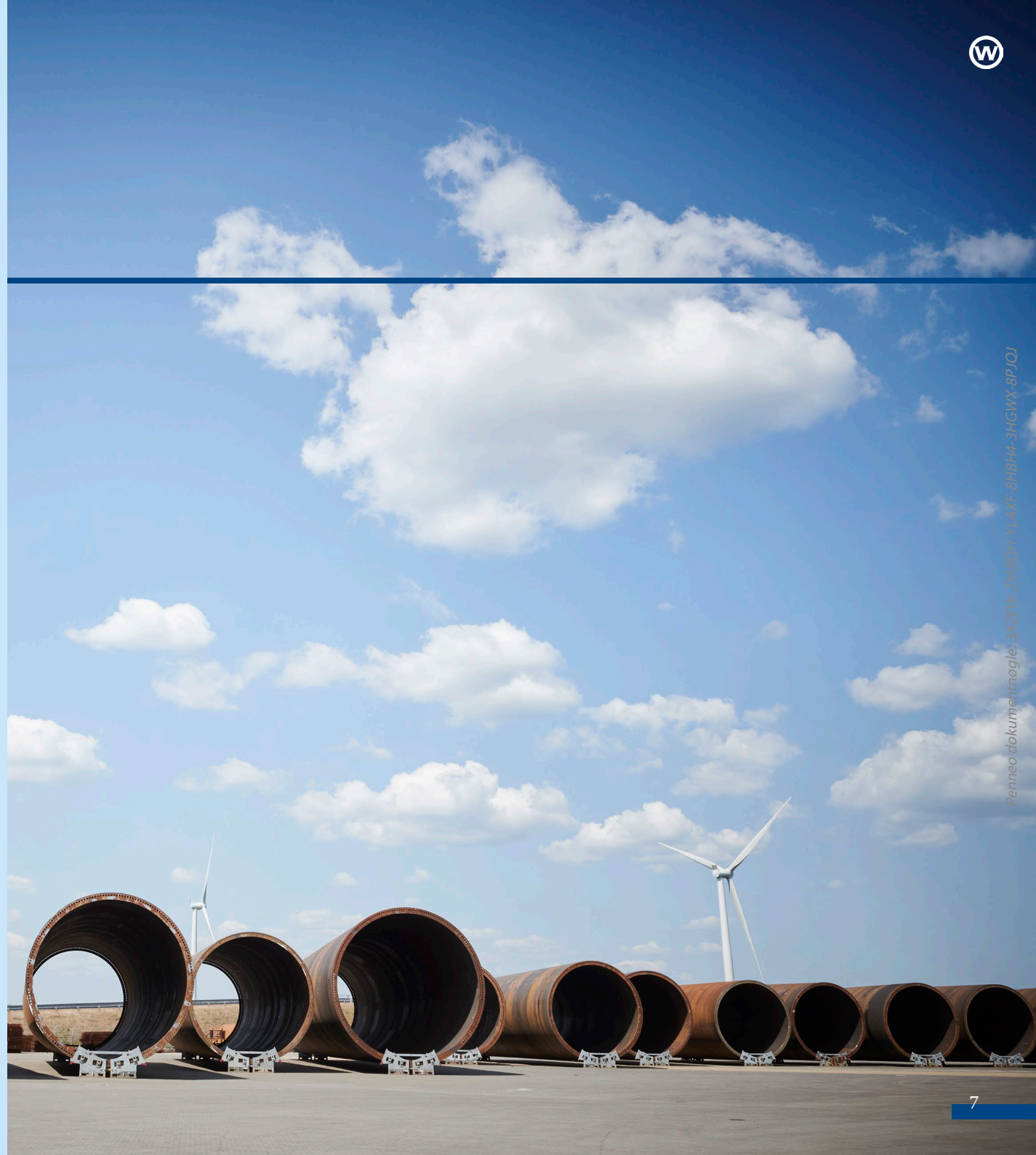


RECORD-HIGH OUTPUT AND REVENUE

In 2024, Welcon Group completed the largest factory expansion in its history — adding 36,000 m² of new buildings and 45,000 m² of hard brick surface storage. The facility now totals 125,000 m² under roof and 180,000 m² of storage, enabling the production of the largest offshore towers on the market.

The build-out included new plate preparation and welding shops, an extended finishing line, a large surface treatment facility, three assembly buildings, and expanded storage, office, and welfare areas.

With the expansion completed, this year has been dedicated to execution, ramping up operations, optimizing workflows, and fully deploying our advanced robotic welding and surface treatment systems. The transition has been successful, enabling record-high output and revenue while also positioning ourselves to supply the next generation of even larger towers and floating foundations. This year's performance confirms that our expanded capacity, lean production setup, and advanced technology provide a competitive edge that will support sustainable growth for years to come.



OUR VALUES ARE OUR FOUNDATION FOR CREATING A SUSTAINABLE BUSINESS MODEL

PREDICTABLE



Deliver as agreed on time. That is what we do. We take time to understand the scope of a given project, define our offer, and deliver exactly that at the right time.

OPPORTUNISTIC



While the world is talking, wondering, and pondering, we use our experience and knowledge to create new opportunities and business.

CURIOUS



We always look ahead and explore new ground because new and better solutions never appear out of nothing. Knowledge is and always has been the key.

ACCESSIBLE

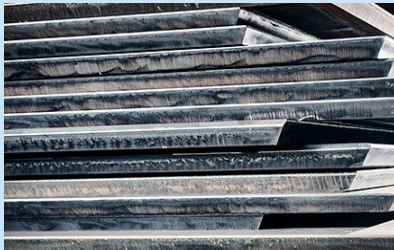


Collaboration works when we understand each other and share knowledge, data, and progress in a way that is easy to understand. So that is what we aim to be – accessible.



INNOVATIVE TECHNOLOGIES

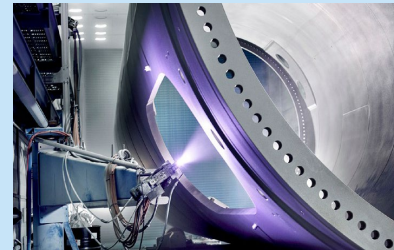
Our technologically advanced facility is widely recognized. Automation, safety, quality, and efficiency are deeply rooted in everything we do.



01. PLATE PREPARATION

To manufacture the best products in the business, the starting point must be perfect. We cut, bevel, and quality check all steel plates.

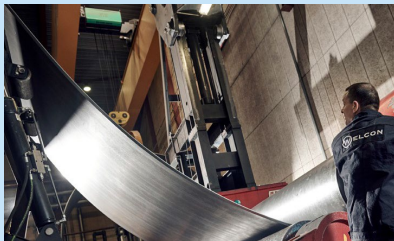
Our very modern and large facility enables in-house plate preparation of all steel plates.



04. SURFACE TREATMENT

Perfect perception and ultimate protection is essential when you manufacture quality constructions able to withstand the forces of nature and the test of time.

Our surface treatment facility does exactly that – on a very large scale.



02. PLATE ROLLING

Try to roll a small sheet of metal into a perfect circle. It is not that easy to get it just right. Now, imagine rolling a massive sheet of steel into a perfect circle of up to ten meters in diameter, where millimeter precision is essential. Quite a task, right?

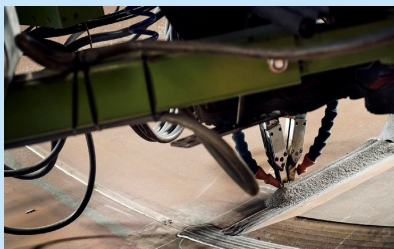
We do this every day and can roll steel plates with a thickness of up to 160 millimeters.



05. ASSEMBLY

Every product is different from the others in one way or the other.

Regardless of specific use and assembly needs, our skilled and experienced engineers and assembly teams get the job done – in close collaboration with our customers. Everybody has special needs – we have special skills.



03. WELDING

The art of welding is the craft and science of deep understanding of the material, precision, and innovation.

We have developed and optimized this craft over more than half a century, and our processes, efficiency, and quality is renowned throughout the industry.



06. LOADING & TRANSPORT

We manufacture very large and heavy products, and we have the equipment to handle it.

Every new and shiny tower or floating foundation leaving our factory is venturing on a special voyage to be part of a cleaner and even better future. It is magical.

WORLD LEADER IN OFFSHORE TOWERS

Welcon Group is the world leader in offshore towers. Since 2012, Welcon Group has supplied 2,130 offshore towers, today producing more than 90,000 GWh annually. This equals the electricity consumption of 23 million private households.

REDEFINING STANDARDS

We deliver world-class products and services to our customers. We are a significant player within our industry to the benefit of our customers and our planet.

We operate a certified integrated management system, and we continuously improve by challenging ourselves. We involve employees across the whole value chain to achieve and maintain customers' trust.

We set high standards for ourselves and are a transparent and trustworthy high-quality supplier to our customers. We have a culture where openness, communication, and feedback are important aspects of doing good business.

AT WELCON GROUP, TO DO GOOD BUSINESS MEANS:

- We are all responsible for delivering quality products
- We strive to exceed our customers' expectations
- We strive to deliver correctly the first time – every time
- We promote a high-quality performance
- We do not accept to pass on defects to the next level in the value chain
- We do not compromise on quality

We ensure our employees are qualified, trained, and have the right set of skills to perform on a high level.

At Welcon Group, we live by a quality culture where health, environment, and safety cannot be jeopardized, and we encourage and request our employees never to prioritize delivery above quality and safety.

WE SUPPORT OUR QUALITY POLICY BY APPLYING AN EXTRA FOCUS ON THE FOLLOWING AREAS:

- Continuous improvements and development of our Integrated Management System
- Development and training of our employees
- Continuous improvement of the processes
- Detailed project planning
- Optimization of internal and external resources
- Improvement and optimization of internal processes to reduce costs
- Having a quality culture where it is expected to report mistakes and defects

Welcon Group is certified according to **ISO 9001**.



Visit from Prime Minister
and other ministers in 2024



SPECIAL RISKS, INCLUDING BUSINESS AND FINANCIAL RISKS

Welcon Group operates in an industry in which potential risks can arise concerning environmental, climate-related, social, and workforce aspects. By continuously reviewing and enhancing our policies, procedures, and training initiatives, we ensure that actions to mitigate risks are implemented.

TRADING RISKS

The company's trading risks are related to the changes in revenue and the contribution margin of products sold. The company hedges trading risks on an ongoing basis by focusing on the company's core competencies as regards to sales, purchasing, and efficient production of high-quality products.

CURRENCY RISKS

The company's customers are invoiced in DKK or EUR. The company's primary costs are in DKK or EUR.

Currency risks are low, and hedging is not necessary.

CREDIT RISKS

Credit risks are related to the value of the current assets and considered immaterial.



Visit from Prime Minister
and other ministers in 2024

E

Environment

S

Social

G

Governance



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IMPLEMENTATION OF THE VSME STANDARD

BUSINESS MODEL

We produce towers and floating foundations for wind turbines and hydrogen pressure vessels, for the renewable energy industry. As one of the leading manufacturers we have delivered a significant part of towers for offshore wind turbines to the European and US market.

CSR REPORTING 2024/25

At Welcon Group, sustainability is a central part of our business strategy and decision-making basis. In order to create transparency and structure in our work with environmental, social, and governance issues, we present in this sustainability section our ESG efforts from the financial year 2024/25.

Following the EU's Omnibus package, neither Welcon Group nor our parent company, CJ Holding ApS, is obliged to report under the CSRD directive. However, we have chosen to be inspired by selected elements from both the Basic and Comprehensive Modules of the EU's new voluntary standard, VSME. Reporting in this way also constitutes and meets relevant requirements for CSR reporting in accordance with the Danish Financial Statements Act.

This approach ensures that our reporting aligns with the EU recommendations for transparency and reflects our focus areas within sustainability.

The reporting is made on a consolidated basis and includes relevant data from our subsidiaries.

This table provides an overview of the VSME data points covered in this report and the page numbers where each disclosure can be found. It spans environmental, social, and governance topics – from basis for preparation and environmental impacts to workforce characteristics – to help readers navigate directly to the relevant sections.

VSME data points

	Title	Page number
B1	Basis for preparation	14, 18, 27, 32
B2	Practices, policies, and future initiatives for transitioning towards a more sustainable economy	17, 19, 20, 23, 27, 28
B3	Energy and greenhouse gas emissions	18
B4	Pollution of air, water, and soil	19
B6	Water	18
B7	Resource use, circular economy, and waste management	20
B8	Workforce – General characteristics	18, 23
B10	Workforce – Remuneration, collective bargaining, and training	23, 27
C1	Strategy: Business model and sustainability – Related Initiatives	3, 25
C2	Description of practices, policies, and future initiatives for transitioning towards a more sustainable economy	17, 19, 20, 23, 24, 27
C3	GHG reduction targets and climate transition	15, 17
C4	Climate risks	17
C5	Additional (general) workforce characteristics	18, 23
C6	Additional workforce characteristics	28
C7	Severe negative human rights incidents	23
C9	Gender diversity ratio in the governance body	27

WORKING FOR A BETTER TOMORROW

At Welcon Group, sustainability is more than a regulatory requirement. For us, it is a competitive advantage, a strategic priority, and a deeply held commitment to future generations. As one of the leading manufacturers of wind turbine towers and floating foundations for the renewable energy sector, Welcon Group plays a central role in enabling the global energy transition. But to truly live up to our ambition of becoming the world's most sustainable manufacturer in our field, we must look inward as much as we look ahead.

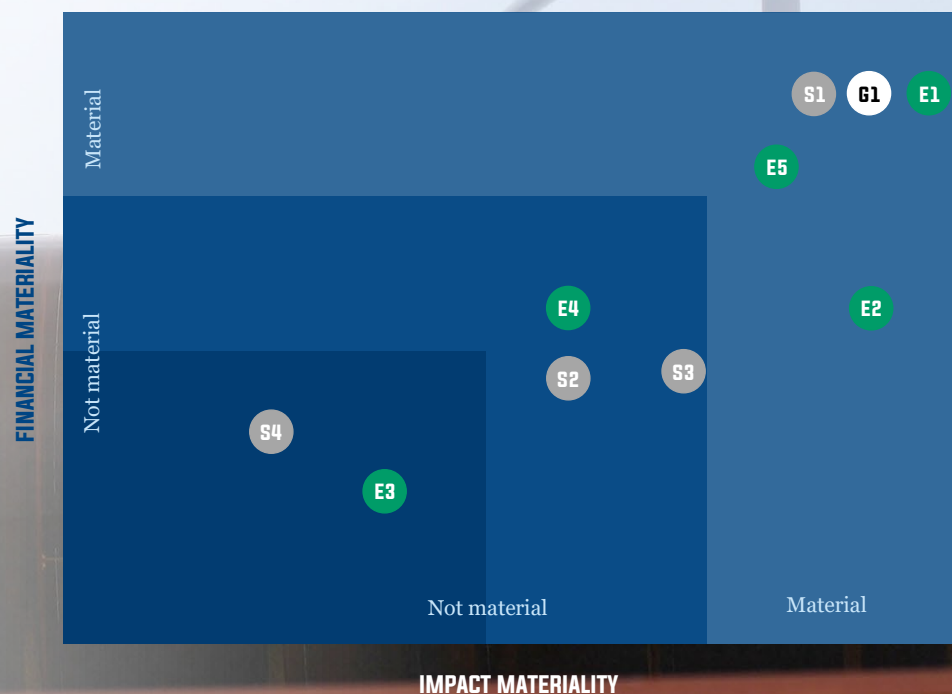
Undertaking sustainability reporting aligns closely with Welcon Group's overarching sustainability objective: to achieve net-zero greenhouse gas emissions in scope 1 and scope 2 by 2040. A set of supporting targets backed by strong governance, ranging from joining the Science Based Targets initiative in 2025 to reducing total carbon emissions by at least 15% by 2035, ensures that our ambition is matched by action. Sustainability and circularity are integrated into our annual management reviews under ISO certifications and are regular agenda items at board level.

READING GUIDE










The next sections are divided into topics from the VSME standard, where relevant initiatives are described beneath each topic. As we in Welcon Group have conducted a Double Materiality Assessment (DMA), we will only be reporting on material topics. For a comprehensive overview of policies, sustainability strategy, and certificates, please refer to page 28.

- Environmental
- Social
- Governance

DOUBLE MATERIALITY ASSESSMENT



POWERING THE GREEN TRANSITION – FROM RAW MATERIALS TO RENEWABLE ENERGY

UPSTREAM			WELCON GROUP	DOWNSTREAM		
RESOURCE EXTRACTION AND PROCESSING	PROCUREMENT	TRANSPORTATION	OWN OPERATIONS	TRANSPORTATION	USAGE	END OF SERVICE AND DEMOLITION
RESOURCE EXTRACTION, E.G.:  <ul style="list-style-type: none"> Iron Zinc Coal Copper Aluminum Lithium Boron Nickel Oil Chemical raw materials Other minerals and raw materials RESOURCE PROCESSING AND MANUFACTURING  <ul style="list-style-type: none"> Various industrial manufacturers 	 <ul style="list-style-type: none"> Mechanical components Electrical components Consumables Equipment Energy Other 	 <ul style="list-style-type: none"> Transportation between extraction and processing/manufacturing stages Incoming transportation to Welcon Group 	TOWERS: *  <ul style="list-style-type: none"> Plate preparation Rolling Welding Finish Surface treatment Assembly Testing Wash Storage Lifting/preparation for transportation ➤ Waste, e.g. steel and wastewater ➤ Internal transportation between operation steps <p>* Similar process for other products, e.g. floating foundations and pressure tanks</p>	 <ul style="list-style-type: none"> Transportation from Welcon Group to the installation site by land or ship – for onshore/offshore installation 	 <ul style="list-style-type: none"> Installation of complete wind turbine Assembled with components, e.g. foundation, blades and nacelle Electricity generation Maintenance of the wind turbine Connection from wind turbine to grid 	 <ul style="list-style-type: none"> Wind turbine is dismantled Possible restoration of the area Wind turbine components are either recycled or sent to landfill 

Welcon Group's value chain spans the full journey from raw materials to renewable energy.



Environmental

BUILDING A LOW-CARBON AND RESILIENT FUTURE

This overview outlines our current actions, future targets, and the climate-related risks we face. It shows how we work to reduce emissions, set ambitious goals for renewable energy and efficiency, and address both challenges and opportunities in the green transition.

Existing practices/policies/actions	Future initiatives/targets	Climate-related risks/ transition risks
<p>Sustainability strategy and environmental policy Net-positive in scope 1 and 2 by 2040.</p> <ul style="list-style-type: none"> Our primary focus is aimed towards climate data reporting, our value chain, and to introduce sustainable initiatives onsite to reduce carbon emissions. Biofuel facility utilizes wooden waste from our sister company Superwood as energy. Hybrid and electric vehicle fleet on-site if possible (current lifting capacity on electrical trucks limits possibilities, as we often lift towers that are too heavy). Solar power cells on rooftops corresponding to 1 MW. Energy optimization measures in our production processes to reduce the energy consumption per tower. 	<ul style="list-style-type: none"> Targeting a 10% reduction in diesel consumption during the financial year 2025/26. Joining the Science Based Targets initiative (SBTi) in 2025, aligning our emission reduction targets with the Paris Agreement. Introducing product-specific carbon footprints in 2027. Introducing HVO diesel as a fuel source in our production in 2025. 100% renewable energy target by 2026. 15% CO₂e reduction across scope 1, 2, and 3 by 2035. 	<ul style="list-style-type: none"> Policy-related risk that increase demand for reporting and compliance will strain our resources from action to reporting. Policy-related risk that carbon taxation will result in financial implications, as we work in an industry with high emissions. Reputational risk of being transparent about high emissions both on-site and in our value chain.

Exposure and vulnerability in relation to the listed risks

Assets	Activities	Value chain
Producing large steel structures have a noticeable environmental impact, primarily through the carbon emissions associated with steel processing and energy consumption. Reducing our carbon footprint comes with a price, e.g. with the introduction of HVO diesel, investments in solar power cells, or cleaner technology on-site.	The wind industry carries a heavy carbon footprint, and much of it comes from the fact that a large part of the structure consists of steel – one of the most carbon-intensive materials. Yet the structures we build are essential to the global energy transition from fossil fuels to renewable energy.	Welcon Group is uniquely positioned to turn these challenges into an advantage. As demand for low-carbon infrastructure increases, our ability to demonstrate credible climate action enhances our competitiveness. In a future where carbon-conscious manufacturing will define market leadership, our sustainability performance becomes a strategic asset.

OUR CARBON FOOTPRINT

Compared to last year, we are including a broader range of categories in our scope 3 reporting, reflecting our commitment to gaining a deeper understanding of our total climate footprint. By expanding our data coverage and refining our calculations, we aim to build a clearer picture of our emissions across the value chain and identify new opportunities to reduce our impact. Additional categories will be included in the coming years as we continue to strengthen our reporting and knowledge base.

	2024/25	2023/24	2024/25
Category	tCO ₂ e	tCO ₂ e	Distribution
Stationary combustion	12	16	0%
Mobile combustion	1,307	1,398	1%
Scope 1	1,319	1,414	1%
Electricity (market-based)	4,148	7,272	3%
Electricity (location-based)	1,092	1,407	
Scope 2	4,148	7,272	3%
Cat. 1 Purchased goods and services	113,475	105,648	87%
Cat. 2 Capital goods	1,392	7,394	1%
Cat. 3 Fuel and energy related activities	731	996	1%
Cat. 4 Upstream transportation and distribution	9,455	7,872	7%
Cat. 5 Waste	128	148	0%
Cat. 6 Business Travel	6	4	0%
Scope 3 (selected categories)	125,187	122,062	96%
Total	130,654	130,748	100%

Carbon Intensity		
tCO ₂ e per MDKK revenue scope 1 & 2	4	7
tCO ₂ e per MDKK revenue scope 1, 2 & 3	90	104

Environmental

95.8% of our carbon footprint comes from our value chain (scope 3).

More than **50%** of our emissions are from steel purchases (part of scope 3, category 1).

Our solar panels produced **1,108 MWH** in 2024/25.

During 2024/25, our total water withdrawal was **11,797 M³**

Data point B3	Unit	Renewable	Non-renewable	Total
Electricity	Mwh	8,308	8,406	16,714
Stationary combustion	Mwh	-	46.5	46.5

In scope 3 category 1 (Purchased goods and services), only materials that Welcon Group owns (e.g. steel purchased by Welcon Group) are included. Materials owned by customers and only processed by Welcon Group are excluded. This follows the recommendations in the GHG Protocol. Please read our CO₂e accounting policies on page 31.

TACKLING POLLUTION AND DRIVING ENERGY TRANSITION

Environmental

Existing practices/policies/actions	Future initiatives/targets
<p>Sustainability strategy and environmental policy</p> <ul style="list-style-type: none"> Optimize internal logistics to reduce unnecessary emissions from on-site transport. Operate under EU-approved carbon-neutral combustion practices, reducing reliance on heating oil and utilizing waste as energy. Our biofuel facility transforms waste pallets and wood pellets from our sister company Superwood into usable energy. This not only closes a local resource loop but also reduces our dependence on external fuel sources. Explore alternative welding methods, carbon-efficient materials, and design strategies that reduce emissions at the source. 	<ul style="list-style-type: none"> 100% renewable energy in scope 2 by 2025. We have decided to purchase renewable energy certificates for the amount of energy that we cannot produce ourselves. While it does not directly add more renewable energy to the grid, it contributes to a system that incentivizes its production. We are exploring additional renewable installations even though current spot electricity prices have temporarily reduced their short-term economic viability. Our perspective remains long-term.

During the last 12 months, we have managed to reduce our total consumption of diesel by 6,5%. In total, we have saved 34,252 liters of diesel and 91,270 kg of CO₂e. That corresponds to 28 liters of diesel and 75 kg of CO₂e saved per section produced.

We will continue to map our diesel consumption as accounts for a rather large portion of our emissions on-site. Among other initiatives, we will partly transition to HVO diesel in 2025, which offers a significantly lower carbon footprint.

Curious to know what 75 kg CO₂e corresponds to?



A return flight per person from
Copenhagen to Hamburg





RESOURCE USE AND CIRCULAR ECONOMY

Existing practices/policies/actions	Future initiatives/targets
<p>Sustainability strategy and environmental policy</p> <ul style="list-style-type: none">• Ensure high quality input and production to reduce waste streams.• Go the extra mile to ensure that as much as possible of our waste is recycled.• Collaborate with one of our largest customers, introducing green steel and a degree of reused steel from 2025.	<ul style="list-style-type: none">• Target to increase recycled share of waste to 98% in the financial year 2025/26

OUR CIRCULARITY EFFORTS

For years, we have meticulously sorted and recycled as much waste from both production and administration as possible thoroughly by material classes. We always strive to keep waste at a minimum, and waste is recycled or disposed of via licensed partners. Steel, which is the most material resource input to our production, has a great circular potential. As steel accounts for more than 50% of our carbon footprint, we also focus on collaborating across the value chain to reduce the amount of virgin steel introduced to wind towers and to reuse as much of the scrap steel directly in the value chain as possible. Luckily, we see examples of this in the industry.

We have had the pleasure to gain experience with using green steel, which is both made from reused steel plates and also processed using green energy, in an offshore project this year. We expect to see more projects like this in the future, as sustainability has slowly begun to become an integrated part of public procurements, and carbon emissions are one of the most material subjects of sustainability for the wind industry.



Environmental



AN INCLUSIVE AND DIVERSE WORKFORCE

TEAMWORK AND COMMITMENT

We employ 24 different nationalities at Welcon Group. This diversity provides the possibility to gain from the benefits of having a multi cultural workforce. Teamwork and partnership are very important to Welcon Group. We value people who appreciate teamwork, are knowledgeable, and are not afraid to challenge the status quo and speak their mind.

Our employees not only help us think about our future but also support us to shape and create it. We transform ideas into towers, floating foundations, and pressure tanks through an open and inclusive management style.

We have a working environment in which our employees enjoy getting new tasks and opportunities. We create a foundation for our employees to develop professionally and personally.

OUR FOUNDATION

Our company is based on strong cooperation between our employees. We foresee and act according to our values. We are constantly monitoring the market and make business decisions in accordance with our values.

We want to be our current and future customers' first choice. To succeed, we have set ambitious and challenging business objectives. The objectives ensure the fulfilling of our customers' needs and criteria. We continuously invest in human capital, ensuring that we have the knowledge and skills to exceed both our own and our customers' expectations.

At Welcon Group, we have a feedback culture throughout the entire value chain. We appreciate feedback from our employees, suppliers, and customers as it helps us in our journey towards world-class performance.

ATTRACTING NEW TALENT

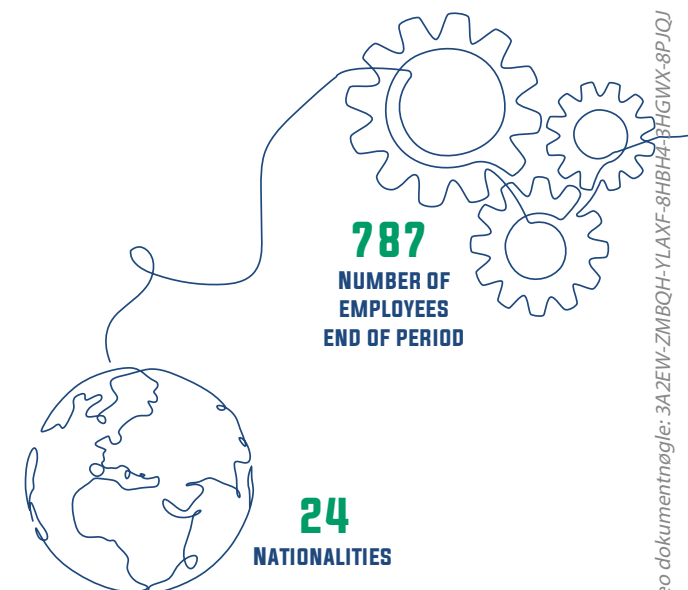
We are actively strengthening our cooperation with local educational institutions by attending educational fairs and presenting Welcon Group as an attractive workplace for future talent. As part of this effort, we have redesigned our internships and trainee programs to ensure that students gain a broader and better learning experience.

Today, our interns are involved in a wide range of processes, giving them valuable insight into everything from maintenance and QHSE to actual production and operations. In this way, they develop a hands-on understanding of the entire value chain while contributing with new knowledge and perspectives.

We are proud to have received an award for our social engagement from the local municipality, Ikast-Brande Kommune.



Social



WE TAKE HEALTH AND SAFETY SERIOUSLY

OUR COMMITMENT

We ensure that all practical and effective measures are in place to protect the health, safety, and welfare of our employees, suppliers, customers, and others that may be affected by our operations.

The overall responsibility for health and safety rests with the CEO. Furthermore, the safety organization is established according to the legal requirements in Denmark. The safety organization consists of representatives from management, shop floor management, and employees, including employee representatives. Our health and safety policy is implemented and maintained in cooperation between the safety organization and the management of Welcon Group.

WELLFARE OF OUR EMPLOYEES

The welfare of our employees is of high priority, and we strive to maintain a high safety standard and create a comfortable and inspiring workplace.

0.3% absence ratio related to work accidents was registered in 2024/25 compared to 0.6% in 2023/24. All small accidents are reported, including accidents not leading to absence. Various initiatives to reduce workplace injuries are implemented on a continuous basis.

At Welcon Group, we do not tolerate violence, threats, racist utterances, bullying, harassment, or sexual harassment, neither during nor outside working hours. The professional tone among colleagues must be proper and respectful. We want everyone to feel safe when working at Welcon Group.

Welcon Group is certified according to **ISO 45001**.



Social

PEOPLE AND SOCIAL RESPONSIBILITY



● Social

Our employees are at the heart of our business, and we are committed to creating a safe, inclusive, and supportive workplace. Through clear policies, continuous safety efforts, and initiatives to strengthen diversity, we strive to ensure wellbeing, attract new talent, and retain a skilled workforce. The following overview highlights our current actions, future initiatives, and key social data.

Existing practices/policies/actions	Future initiatives/targets
<p>Sustainability strategy, internal and external Code of Conduct</p> <ul style="list-style-type: none"> Providing assistance under section 56 for employees with chronic illness or long-term health needs. Maintaining ISO 45001 certification and conducting regular safety inspections and monthly reporting. Investing in assistive tools, ergonomic equipment, and structured safety training for employees. Offering 14-day work arrangements that allow international employees to work abroad without relocating their families. Supporting flexible arrangements such as parttime work, flextime, job trials, and individual shift preferences. Creating a thriving environment for trainees and interns at Welcon Group, taking in new young forces every year. 	<ul style="list-style-type: none"> Actively promoting Welcon Group as an attractive workplace for trainees and students with annual presentations at selected vocational educations, aiming to increase the number of trainees and internships at Welcon Group.

Social data	Unit	2024/25	2023/24
Full-time employees	FTE	662	773
Full-time workforce	FTE	690	820
Workforce	Heads	787	909
Men	Heads	743	860
Women	Heads	44	49
Absence ratio related to work accidents	%	0.3	0.6
Employee turnover	%	28.4	29.8
Permanent contract	Heads	759	862
Temporary contract	Heads	0	0
Temporary workers	Heads	28	47
Gender diversity at management level	%	0	0
Internal whistleblower system	Yes/No	Yes	Yes
Minimum wage compliance	Yes/No	Yes	Yes
Annual training hours per employee	Hours	7.9	4.9
Incidents related to child labor, forced work, human trafficking, or discrimination	Number	0	0

CORPORATE GOVERNANCE

Welcon Group is dedicated to upholding strong corporate governance principles. As such, management conducts an annual assessment of the group's management systems to confirm alignment with the needs of the group's stakeholders externally and internally.

STRENGTHENING OUR EFFORTS WITHIN SUSTAINABILITY

In 2024, we chose to strengthen our internal resources within sustainability. We established a sustainability advisory board consisting of our Deputy CEO, CFO, QHSE Manager, Business Development Manager, Group General Counsel, Purchasing Manager, and Group Sustainability Manager. All larger decisions are brought to the attention of the board of directors on board meetings. Our Deputy CEO is ultimately responsible for the implementation of sustainability initiatives and meeting our targets.

Welcon uses EcoVadis as a management tool to strengthen both competitiveness and risk management. The framework provides internationally recognized benchmarking, supports compliance with global standards, and ensures transparency across our value chain. This enhances trust with customers and partners, helps us identify risks and opportunities, and positions Welcon strongly in the market as we work towards becoming the world's most sustainable manufacturer of wind turbine towers.

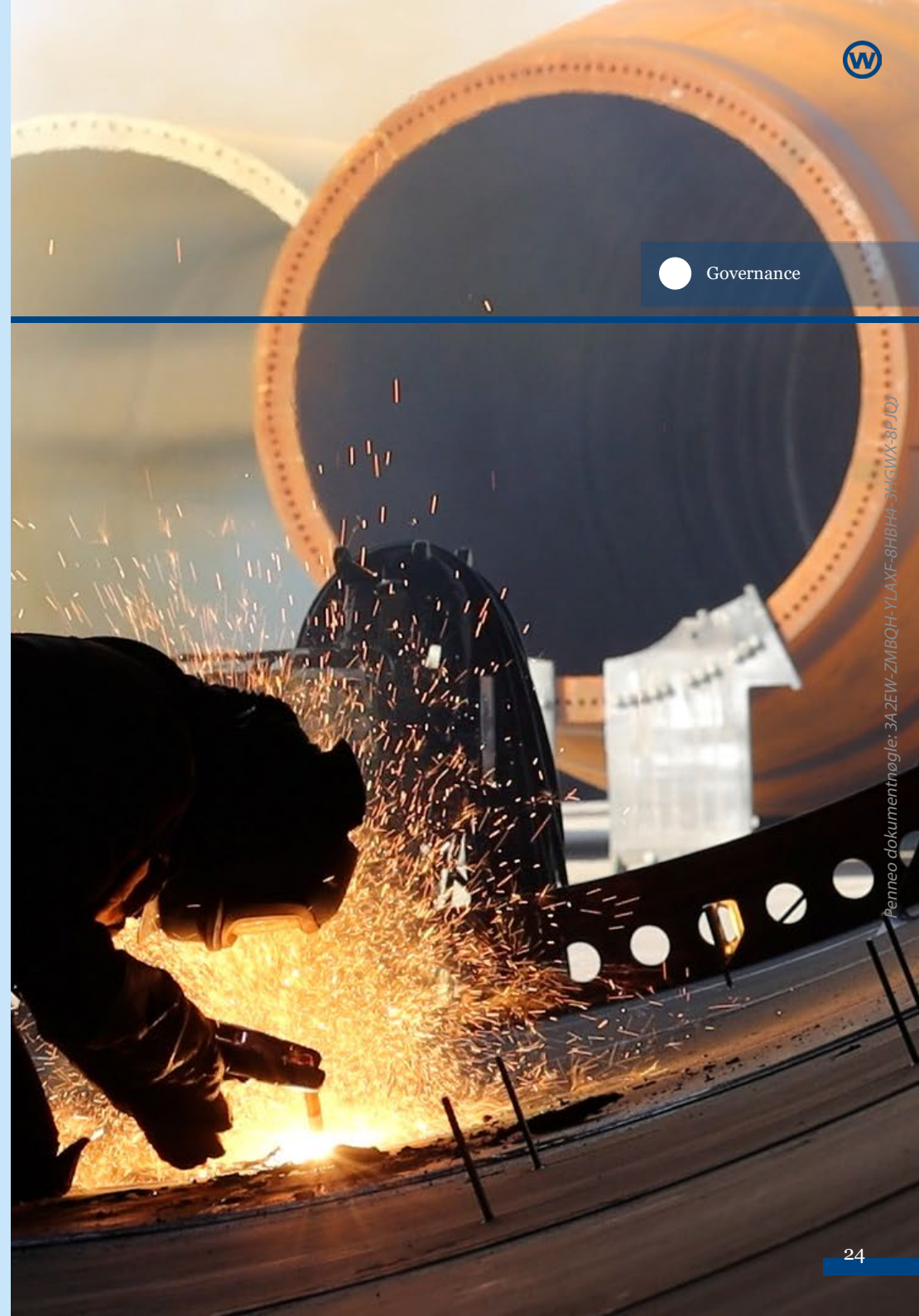
OUR RESPONSIBILITY AS MANAGEMENT

The composition of employees at Welcon Group reflects the fact that the company works within a heavy industry in which more men than women are usually employed. As a result of this, a significant imbalance between male and female employees exists, with males outnumbering females by a considerable margin. However, focusing on office admin staff, Welcon Group has a more equal composition of employees.

Welcon Group supports the political initiatives that encourage more young people to pursue vocational education and specifically that more women are motivated to build a career within this field.

At Welcon Group, the production is represented by many different nationalities, and we would like to see more women in our production as we believe that a mix of cultures, nationalities, religions, etc. helps contribute to an exciting work environment with diverse perspectives, which in turn fosters innovation and new solutions.

Governance



CORPORATE GOVERNANCE

WORKING WITH OUR SUPPLY CHAIN

Being a part of the wind industry, we rely on supply of minerals that typically derive from mining activities and processing in Asia. The majority of our suppliers are under free issue sourcing or directed sourcing contracts by our customers, limiting our flexibility in terms of minimizing social and environmental risks. However, our customers are some of the largest enterprises in the wind industry and carry out their responsibility in the supply chain with respect. Therefore, we rest assured, expecting that extensive risk assessment on social and environmental risks for our suppliers has already been conducted.

In the coming years, we will be focusing on gathering more comprehensive data from our suppliers, influencing internal policies and processes to reflect what Welcon Group considers to be sustainable business conduct. For now, we have made a geographical screening on environmental and social risks of our top 30 tier 1 suppliers by using the assessment tools AMFORI and Preferred by Nature and reviewing CSR reporting by the individual companies. It is our ambition to build on the assessment over time.

POLITICS, CODE OF CONDUCTS, AND WHISTLEBLOWER SYSTEM

Our work regarding environmental and social concerns is reflected in our overall strategy, our policies, and our Code of Conduct. We have initiated a project to handle our supply chain more efficiently, introducing a Supplier Code of Conduct. For now, we have segmented our suppliers into two categories; A) Top 30 suppliers based on purchasing volume, and B) Qualified suppliers which are material to Welcon Group's production. By the end of the reporting period, all these suppliers had received the Supplier Code of Conduct, and 63% have signed. We will continue to target 100% signed by end of 2025.



Whistleblower reports

COC SIGNED BY TOP 30 SUPPLIERS

Target in 2025: 100%

SUPPLIER SUSTAINABILITY SURVEY
COMPLETED BY QUALIFIED SUPPLIERS

Target in 2025: 100%



Overview of the geographical placement of the top 30 suppliers, which are placed in the 10 countries marked on the map.

CORPORATE GOVERNANCE

PURCHASING POLICY AND PROCEDURE

Welcon Group is committed to structuring our procurement to mitigate to the greatest extent possible the environmental and social impact, with a focus on the purchases most material to our production. In line with quality and price, Welcon Group will include environmental considerations in our procurement process to ensure that purchased products have the lowest possible negative environmental and/or social footprint, minimize the use of non-renewable resources, and increase the proportion of renewable resources. In the coming years, we will initiate a project to incorporate social and environmental risk assessment in our supply chain management.

LEGISLATIVE COMPLIANCE

Welcon Group will comply with applicable legislation at all times as a minimum requirement. Additionally, we will adhere to the 10 UN principles, ILO guidelines, and the UN SDGs as guidelines for sustainable conduct. Until 2030, Welcon Group will strive to work with and contribute to the achievement of the 17 SDGs to the extent possible. We will annually select SDGs that align with our focus areas, establish sub-goals, assign KPIs, and thereby ensure that we contribute to a more sustainable society.

DATA ETHICS

Welcon Group handles general data in the form of customer data and employee data. Data is processed in accordance with GDPR regulations and our internal policies for privacy and information security. Given the limited processing of data, it is Welcon Group's assessment that a policy on data ethics is presently unnecessary. Welcon Group will continuously evaluate whether a policy is a requirement going forward.

HUMAN RIGHTS, ANTI-CORRUPTION, AND BRIBERY POLICIES

Welcon Group is committed to the fundamental principles of human rights. Discrimination, harassment, and any form of unfair treatment are strictly prohibited. We prioritize creating an inclusive and respectful environment in which every employee, partner, and stakeholder is treated equally and with the respect they deserve. Welcon Group does not tolerate any kind of corruption or bribery. Our business activities are conducted with the highest level of integrity, reflecting our commitment to transparent and ethical conduct.

Governance



Our apprentices

CORPORATE GOVERNANCE KEY FIGURES

Strong governance practices form the foundation of our sustainability strategy. Through clear policies, certifications, and transparent reporting, we ensure responsible business conduct and compliance with international standards.

Existing practices/policies/actions	Future initiatives/targets
<p>Sustainability strategy, internal and external Code of Conduct</p> <ul style="list-style-type: none"> EcoVadis bronze score. Quality assurance to minimize waste and increase durability of the solutions we sell, working with and maintaining the ISO 14001 and 9001 certificates. Working with the sustainable development goals and sub-goals. Every year since 2021, we have chosen four goals to work on. They can be reoccurring if we find new relevant sub-goals or find that we have not quite succeeded yet. Specifically, we have finished working with SDG #8 and #13. Whistleblower system. 	<ul style="list-style-type: none"> Improving our EcoVadis score from bronze to silver in 2026. Maintaining the ISO 14001 and 9001 certificates. Continue to work with the sustainable development goals.



Governance

Governance	Unit	2024/25	2023/24
Gender diversity on the board (% women)	%	0	0
Collective agreements, share of employees	%	84	87
Size of balance sheet	TDKK	2,280,275	2,195,316
External whistleblower system	Yes/No	Yes	Yes
Omitted reporting points	C3 section 55 and 56, C4 section 57, C5 section 60, C7 section 62c, C8, B7 section 38a, B9, B10 section 42b and 42d		
NACE sector classification code	25.11 Manufacturer of metal structures and part of structures		
Undertaking's legal form	Private limited liability undertaking		

OVERVIEW OF POLICIES, PARTNERSHIPS, AND CERTIFICATES

Governance

Name		Description	Read more on page	Link	Valid until
Strategies, policies and COCs	Sustainability strategy	An overview of Welcon Group's responsibilities and ambitions regarding sustainability towards 2040	15, 17, 19, 20, 23, 27	P005	
	Environmental policy	A summary of our efforts to ensure protection of the environment	17, 19	welcon.dk/about-us/environment/	
	Health and safety policy	A summary of our efforts to ensure protection of health, safety, and welfare	22	P810	
	Whistleblower policy	How Welcon Group operates its whistleblower program and thereby avoids potential irregularities or unlawful acts/conduct from going unreported	25	P57	
	GDPR policy	Description of how we handle personal contact information		P56	
	Quality policy	A summary of our quality standards and objectives	11	P000	
	Purchasing policy	A summary of our purchasing policy	26	P200	
	Internal CoC "Do Good Business"	Covers our Human Rights Policy internally and externally in Welcon and the material topics Own Workforce and Business Conduct, and the themes Child labour, Forced work, Human trafficking, Discrimination, Safety/prevention of accidents, corruption, and bribery		P200	
Certificates, declarations, and awards	External CoC			P200	
	ISO 45001	Welcon Group is certified according to ISO 45001	22, 23	-	2027
	ISO 9001	Welcon Group is certified according to ISO 9001	11, 27	welcon.dk/about-us/quality/	2027
	ISO 14001	Welcon Group is certified according to ISO 14001	27	welcon.dk/about-us/environment/	2027
Partnerships and memberships	EcoVadis	Check out our rating in the holistic sustainability rating platform EcoVadis	27	welcon.dk/about-us/who-we-are/	2026
	GREEN POWER DENMARK	GREEN POWER DENMARK is considered a major influencer on behalf of the Danish energy sector		greenpowerdenmark.dk	
	TEKNIQ	TEKNIQ is a trade and employers' organization representing 4,100 mechanical and electrical contractors in the electrical, plumbing, heating, ventilation and metals industries		https://www.tekniq.dk/	

WORKING WITH THE SUSTAINABLE DEVELOPMENT GOALS

OUR FOCUS ON SDGS IN 2025

7 AFFORDABLE AND CLEAN ENERGY



#7.2

Before 2030, the renewable energy share in the global energy mix must increase significantly.

The more wind turbine towers and floating foundations Welcon Group produces, the more wind turbines are established globally, leading to the generation of more green energy.

Our production of offshore towers to date has the potential to contribute 90,000 GWh of renewable energy annually.

Amount of produced renewable energy on-site: 1,108,100 kWh – the annual electricity consumption of around 300 Danish households.

8 DECENT WORK AND ECONOMIC GROWTH



#8.1

Full employment and decent work for all across gender, age, and disability.

We aim to create an attractive workplace that welcomes everyone. We believe that safety and well-being are closely linked to delivering the quality that is synonymous with the Welcon Group brand.

Proportion of the workforce in flexible jobs, section 56, part-time, senior schemes, etc.: 3

Number of student assistants, interns, apprentices, trainees, etc.: 5

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



#12.5

Reduce the amount of waste.

KPI: Increase proportion of waste recycled, incinerated, and landfilled to 98% compared to total waste in the financial year 2025/26.

#12.8

Promote knowledge of sustainable development. Achieving the sustainable development goals by 2030 requires collective effort. Therefore, we are committed to collaborating with educational institutions and other stakeholders. This collaboration aims not only to disseminate advancements in the wind turbine industry but also to influence and drive progress within the sector.

Participation in interviews/educational tasks related to sustainability: 5

Number of student assistants, interns, apprentices, trainees, etc.: 5

Collaboration projects with stakeholders: 1

15 LIFE ON LAND



#15.5

Limit the degradation of natural habitats and halt the loss of biodiversity.

As part of a heavy industry, we have a responsibility to ensure that our local environment contributes to increased biodiversity.

A new focus area still under development.

CO₂E ACCOUNTING POLICIES

ACCOUNTING PRACTICES

In calculating CO₂e, the emission factors provided by suppliers, utility companies, and factors from recognized databases have been utilized, in accordance with the guidelines from the Danish Business Authority and the GHG Protocol. The most recent publicly disclosed emission factors at the time of preparing the climate accounts are used. In cases where an emission factor is unknown at the time of the report, the previous year's factor is used, and an adjustment to the climate accounts is made upon the publication of the new emission factor, following the guidance outlined in the GHG Protocol.

All emissions and figures are presented gross, without adjustments for CO₂e compensation. Some reporting points from the VSME catalog are not included in this ESG reporting due to either lack of relevance or lack of data. The financial year (1 June 2023 to 31 May 2024) serves as base year for future reporting.

ORGANIZATIONAL BOUNDARIES

This sustainability section is an account of Welcon Group A/S, Central business registration no.: 43 85 11 52

OPERATIONAL CONTROL

The organizational boundary of this report is determined based on the operational control method.

SCOPE 1-3 CALCULATIONS

SCOPE 1

Fueled vehicles and trucks as well as heating oil. Emission factors from DEFRA, AIB, and IEA.

SCOPE 2

Electricity data are based on data provided by suppliers and emission factors from Energinet. Welcon Group transitioned to green electricity as of 1 January 2025. As a result of this, market-based scope 2 emissions have decreased in the current financial year and are expected to be zero in the next financial year.

SCOPE 3

Scope 3 emissions are calculated partly using activity data and partly using a spend-based approach at account level. While activity-based data provide higher accuracy when reliable supplier-specific information is available, the spend-based method is subject to greater uncertainty. This is because spend-based calculations rely on monetary values rather than physical quantities and, therefore, may not fully capture differences in suppliers' carbon intensity, fluctuations in market prices, or product-specific characteristics. As a result, scope 3 figures should be interpreted as best estimates based on the data available, with inherent uncertainty particularly in categories where spend-based calculations dominate.

In scope 3 category 1 (Purchased goods and services), only materials that Welcon Group owns (e.g. steel purchased by Welcon Group) are included. Materials owned by customers and only processed by Welcon Group are excluded.

Certain scope 3 categories are not included even though emissions occur. This applies to employee commuting, downstream transport, and end-of-life treatment of products, among others.

Emission factors are from supplier-specific EPDs, DEFRA, IPCC, Exiobase, and AIB.

OUT OF SCOPE EMISSIONS

In line with the GHG Protocol the production and use of biomass (wood pellets and wood chips) is considered biogenic emissions and are to be reported separately from Welcon Group's scope 1-3.

ESG KEY FIGURES CALCULATIONS

CALCULATION DATA FOR ESG KEY FIGURES IN ACCORDANCE WITH THE VSME STANDARD AND GHG PROTOCOL

tCO₂e per MDKK revenue =
total emissions / MDKK revenue

tCO₂e per MDKK revenue scope 1 + 2 = total
emissions scope 1 + 2 / MDKK revenue

Full-time employees = total ATP contribution /
contribution rate for a full-time employee

Full-time workforce = FTEs + temporary labor

Workforce = number of employees and temporary
workers (head count, end of period)

Men = number of men in workforce

Women = number of women in workforce

Absence ratio related to work accidents = total
sick leave hours / total available work hours * 100

Employee turnover = number of voluntary
and involuntary departures / average number
of employees * 100

Permanent contract = number of employees
on permanent contracts (end of period)

Temporary contract = number of employees on
temporary contracts (end of period)

Temporary workers = number of temporary
workers (end of period)

**Gender diversity at management level
(% women)** = female managers / total managers
* 100

Internal whistleblowing system (Yes/No) =
internal whistleblower system has been established

Minimum wage compliance (Yes/No) =
all wages are at or above the applicable minimum
wage

**Incidents related to child labor, forced work,
human trafficking, or discrimination** = number
of confirmed incidents

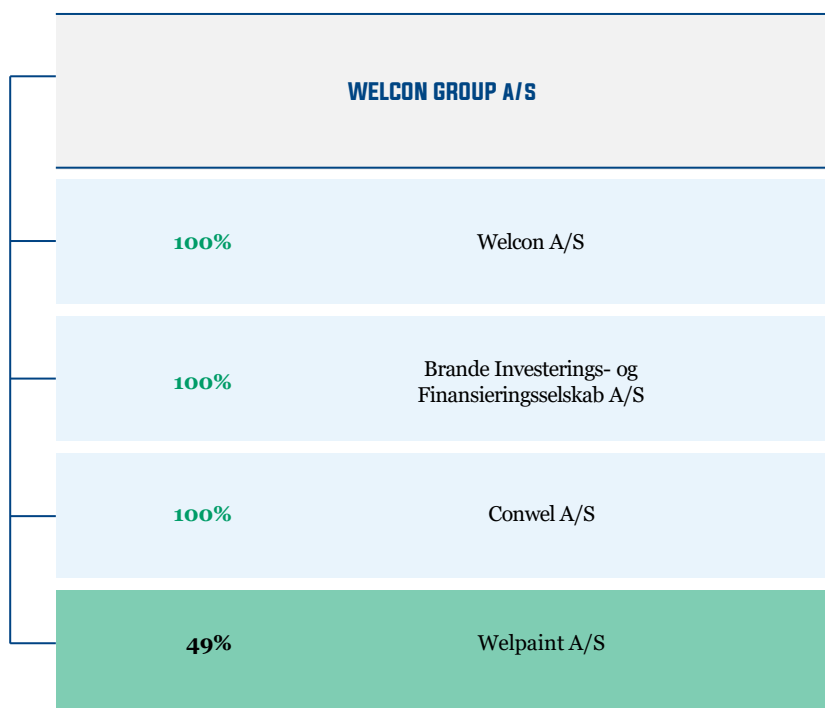
Annual training hours per employee =
total number of training hours in the year / total
number of employees

Gender diversity on the board (% women) =
female board members / all board members * 100

External whistleblowing system (Yes/No) =
external whistleblower system has been established

Collective agreements, share of employees =
number of employees covered by collective
agreements / total number of employees * 100

GROUP STRUCTURE AT WELCON GROUP



OVERVIEW OF MATERIAL SITES

TYPE OF LOCATION	ADDRESS	POSTAL CODE	CITY	GEO TAG
Administration and Production	Vejlevej 270	7323	Give	55.904138 26125856, 9.1994143 40297775
Administration	Vejlevej 254	7323	Give	55.897259 21279777, 9.2094982 55641282
Administration	Vejlevej 263	7323	Give	55.897629 242321216, 9.2035501 13313094

Table: Overview of material sites that Welcon Group owns or controls. All of the locations are situated in Denmark. Administration covers various purposes that are not production.

A large circular opening in a metallic structure, looking out onto a storage yard with large blue-covered pipes.

FINANCIAL STATEMENTS 2024/25

INCOME STATEMENT

1 JUNE 2024 – 31 MAY 2025

	Note	Group		Parent company	
		2024/25	2023/24	2024/25	2023/24
		TDKK	TDKK	TDKK	TDKK
Revenue	1	1,447,671	1,259,195	0	0
Other operating income		5,862	2,210	0	0
Raw materials and consumables		(628,205)	(505,022)	0	0
Other external expenses		(124,091)	(138,318)	(89)	(51)
Gross profit/loss		701,237	618,065	(89)	(51)
Staff costs	2	(455,128)	(492,942)	0	0
Profit/loss before amortisation/ depreciation and impairment losses		246,109	125,123	(89)	(51)
Depreciation, amortisation and impairment of property, plant and equipment		(65,481)	(50,972)	0	0
Other operating costs		0	(20)	0	0
Profit/loss before net financials		180,628	74,131	(89)	(51)
Income from investments in subsidiaries		0	0	106,893	33,721
Income from investments in participating interests		4,131	2,440	4,131	2,440
Financial income	3	20,645	17,145	76	18
Financial costs	4	(64,377)	(48,704)	0	(391)
Profit before tax		141,027	45,012	111,011	35,737
Tax on profit for the year	5	(30,010)	(9,182)	6	93
Profit for the year		111,017	35,830	111,017	35,830
Distribution of profit	6				

BALANCE SHEET AT 31 MAY 2025

ASSETS

	Note	Group		Parent company	
		2025	2024	2025	2024
		TDKK	TDKK	TDKK	TDKK
Assets					
Land and buildings	7	830,486	850,362	0	0
Plant and machinery	7	492,489	469,725	0	0
Other fixtures and fittings, tools and equipment	7	12,894	13,886	0	0
Prepayments for tangible fixed assets	7	10,630	42,764	0	0
Tangible assets		1,346,499	1,376,737	0	0
Investments in subsidiaries	8	0	0	521,721	414,828
Participating interests	9	24,145	20,014	24,145	20,014
Deposits		0	52	0	0
Fixed asset investments		24,145	20,066	545,866	434,842
Total non-current assets		1,370,644	1,396,803	545,866	434,842
Raw materials and consumables		18,223	12,815	0	0
Work in progress		146,982	154,195	0	0
Stocks		165,205	167,010	0	0

BALANCE SHEET AT 31 MAY 2025 (CONTINUED)

ASSETS

	Note	Group		Parent company	
		2025	2024	2025	2024
		TDKK	TDKK	TDKK	TDKK
Assets					
Trade receivables		156,704	126,379	0	0
Contract work in progress	10	5,295	0	0	0
Receivables from group entities		555,588	468,716	1,985	1,996
Other receivables		3,884	10,543	0	0
Deferred tax asset	11	0	0	0	15
Joint taxation contributions receivable		14,151	13,048	154	135
Prepayments	12	8,591	12,575	0	0
Receivables		744,213	631,261	2,139	2,146
Cash at bank and in hand		213	242	0	0
Total current assets		909,631	798,513	2,139	2,146
Total assets		2,280,275	2,195,316	548,005	436,988

BALANCE SHEET AT 31 MAY 2025

EQUITY AND LIABILITIES

	Note	Group		Parent company	
		2025	2024	2025	2024
		TDKK	TDKK	TDKK	TDKK
Equity and liabilities					
Share capital		25,000	25,000	25,000	25,000
Reserve for net revaluation under the equity method		0	0	174,424	63,400
Retained earnings		522,955	411,938	348,531	348,538
Equity	13	547,955	436,938	547,955	436,938
Provision for deferred tax	11	47,705	34,250	0	0
Other provisions	14	2,000	2,000	0	0
Total provisions		49,705	36,250	0	0
Banks		0	20,318	0	0
Mortgage loans		268,508	263,278	0	0
Lease obligations		234,515	235,700	0	0
Joint taxation contributions payable		22,158	6,971	0	0
Other payables		21,533	20,864	0	0
Deposits		0	12	0	0
Total non-current liabilities	15	546,714	547,143	0	0

BALANCE SHEET AT 31 MAY 2025 (CONTINUED)

EQUITY AND LIABILITIES

	Note	Group		Parent company	
		2025	2024	2025	2024
		TDKK	TDKK	TDKK	TDKK
Equity and liabilities					
Short-term part of long-term debt	15	69,165	54,714	0	0
Banks		19	313	0	0
Prepayments received from customers		117,958	210,764	0	0
Trade payables		184,309	370,193	50	50
Prepayments received recognised in debt	10	0	7,329	0	0
Payables to group entities		685,494	455,129	0	0
Payables to shareholders and management		52	0	0	0
Joint taxation contributions payable		6,971	1,498	0	0
Other payables		71,933	75,022	0	0
Deferred income	16	0	23	0	0
Total current liabilities		1,135,901	1,174,985	50	50
Total liabilities		1,682,615	1,722,128	50	50
Total equity and liabilities		2,280,275	2,195,316	548,005	436,988
Contingent liabilities	17				
Mortgages and collateral	18				
Related parties and ownership structure	19				

STATEMENT OF CHANGES IN EQUITY

<u>Group</u>	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	TDKK	TDKK	TDKK
Equity at 1 June 2024	25,000	411,938	436,938
Net profit for the year	0	111,017	111,017
Equity at 31 May 2025	25,000	522,955	547,955

<u>Parent company</u>	<u>Share capital</u>	<u>Reserve for net revaluation under the equity method</u>	<u>Retained earnings</u>	<u>Total</u>
	TDKK	TDKK	TDKK	TDKK
Equity at 1 June 2024	25,000	63,400	348,538	436,938
Net profit for the year	0	111,024	(7)	111,017
Equity at 31 May 2025	25,000	174,424	348,531	547,955

CASH FLOW STATEMENT

1 JUNE 2024 – 31 MAY 2025

	Note	Group	
		2024/25	2023/24
		TDKK	TDKK
Net profit for the year		111,017	35,830
Adjustments	20	135,067	89,273
Change in working capital	21	(319,085)	167,639
Cash flows from operating activities before financial income and expenses		(73,001)	292,742
Interest income and similar income		20,645	17,145
Interest expenses and similar charges		(64,377)	(48,704)
Cash flows from ordinary activities		(116,733)	261,183
Corporation tax paid		3,002	(482)
Cash flows from operating activities		(113,731)	260,701
Purchase of property, plant and equipment		(10,535)	(238,784)
Sale of property, plant and equipment		25	8,027
Adjustment deposits, net		40	12
Cash flows from investing activities		(10,470)	(230,745)

CASH FLOW STATEMENT (CONTINUED)

1 JUNE 2024 – 31 MAY 2025

	Note	Group	
		2024/25	2023/24
		TDKK	TDKK
Repayment of loans from credit institutions, net		(21,339)	(73,290)
Raising of mortgage loans, net		6,862	66,019
Reduction of lease obligation		(12,050)	(25,385)
Raising of loans from group entities		150,993	0
Change in overdraft facility		(294)	298
Cash flows from financing activities		124,172	(32,358)
 Change in cash and cash equivalents		 (29)	 (2,402)
 Cash and cash equivalents		 242	 2,644
Cash and cash equivalents		213	242
 Analysis of cash and cash equivalents:			
Cash at bank and in hand		213	242
Cash and cash equivalents		213	242



NOTES TO THE ANNUAL REPORT



On August 22nd, 2024, we had the great honor of welcoming Their Majesties The King and Queen of Denmark to Welcon during their summer tour with the Royal Yacht Dannebrog. The visit provided us with a unique opportunity to showcase our innovative work in the production of tower structures and foundations for offshore wind turbines.

	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24
	TDKK	TDKK	TDKK	TDKK
1 Revenue				
Wind turbine industry	1,447,218	1,255,141	0	0
Facility technical products	0	3,617	0	0
Other revenue	453	437	0	0
Total revenue	1,447,671	1,259,195	0	0
2 Staff costs				
Wages and salaries	415,094	449,983	0	0
Pensions	35,204	37,816	0	0
Other social security costs	4,830	5,143	0	0
	455,128	492,942	0	0
Number of full-time employees on average	662	773	0	0

According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the Executive board and Board of directors has not been disclosed.

NOTES TO THE ANNUAL REPORT



3 Financial income

Interest received from group entities
Other financial income

Group		Parent company	
2024/25	2023/24	2024/25	2023/24
TDKK	TDKK	TDKK	TDKK
20,113	16,886	76	18
532	259	0	0
20,645	17,145	76	18

4 Financial costs

Interest paid to group entities
Other financial costs

24,167	18,422	0	391
40,210	30,282	0	0
64,377	48,704	0	391

5 Tax on profit for the year

Current tax for the year
Deferred tax for the year

16,572	(1,530)	(4)	(87)
13,438	10,712	(2)	(6)
30,010	9,182	(6)	(93)

6 Distribution of profit

Reserve for net revaluation under
the equity method
Retained earnings

111,024	36,364
(7)	(534)
111,017	35,830

NOTES TO THE ANNUAL REPORT



7 Tangible assets

Group

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Prepayments for tangible fixed assets
	TDKK	TDKK	TDKK	TDKK
Cost at 1 June 2024	1,037,346	688,144	24,686	42,764
Additions for the year	6,859	20,841	0	7,540
Transfers for the year	2,638	39,158	0	(39,674)
Cost at 31 May 2025	1,046,843	748,143	24,686	10,630
Impairment losses and depreciation at 1 June 2024	186,984	218,417	10,800	0
Depreciation for the year	27,252	37,237	992	0
Transfers for the year	2,121	0	0	0
Impairment losses and depreciation at 31 May 2025	216,357	255,654	11,792	0
Carrying amount at 31 May 2025	830,486	492,489	12,894	10,630
Interest expenses recognised as part of cost of assets	0	2,300	0	0
Value of leased assets	0	346,991	0	0

NOTES TO THE ANNUAL REPORT



8 Investments in subsidiaries

Cost at 1 June 2024

Cost at 31 May 2025

Revaluations at 1 June 2024

Profit for the year

Received dividend

Revaluations at 31 May 2025

Carrying amount at 31 May 2025

Parent company

Investments in subsidiaries are specified as follows:

Name	Registered office	Ownership interest
Welcon A/S	Vejle	100%
Conwel A/S	Vejle	100%
Brande Investerings- og Finansieringsselskab A/S	Vejle	100%

Parent company	
2025	2024
TDKK	TDKK
354,071	354,071
354,071	354,071
60,757	47,036
106,893	33,721
0	(20,000)
167,650	60,757
521,721	414,828

NOTES TO THE ANNUAL REPORT



9 Participating interests

Cost at 1 June 2024

17,371 17,371

17,371 17,371

Cost at 31 May 2025

17,371 17,371

17,371 17,371

Revaluations at 1 June 2024

2,643 203

2,643 203

Exchange adjustment

0 (1)

0 (1)

Profit for the year

4,141 2,494

4,141 2,494

Elimination of intercompany
profits on investments

(10) (53)

(10) (53)

Revaluations at 31 May 2025

6,774 2,643

6,774 2,643

Carrying amount at 31 May 2025

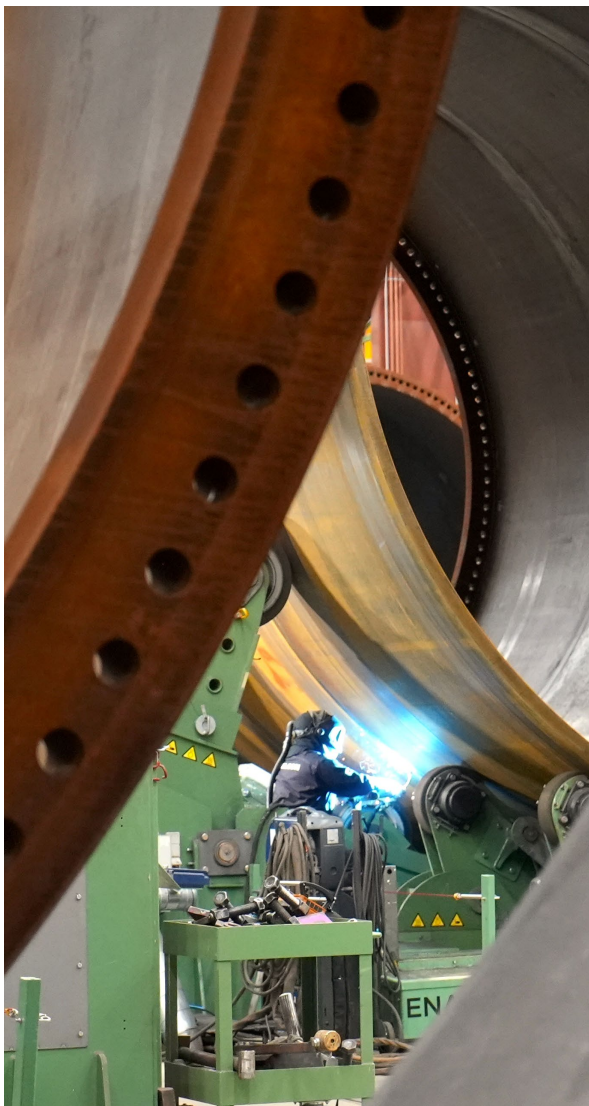
24,145 20,014

24,145 20,014

Investments in participating interests are specified as follows:

Name	Registered office	Ownership interest
Welpaint A/S	Vejle	49%

NOTES TO THE ANNUAL REPORT



10 Contract work in progress

Work in progress, selling price
Work in progress, payments
received on account

Group		Parent company	
2025	2024	2025	2024
TDKK	TDKK	TDKK	TDKK
267,655	173,145	0	0
(262,360)	(180,474)	0	0
5,295	(7,329)	0	0

Recognised in the balance sheet as follows:

Contract work in progress under assets
Prepayments received under liabilities

5,295	0	0	0
0	(7,329)	0	0
5,295	(7,329)	0	0

11 Provision for deferred tax

Provision for deferred tax at 1 June 2024
Deferred tax recognised in income statement
Other regulations
Provision for deferred tax at 31 May 2025

34,250	23,538	(15)	(9)
13,438	10,712	(2)	(6)
17	0	17	0
47,705	34,250	0	(15)

NOTES TO THE ANNUAL REPORT



12 Prepayments

Prepayments comprise prepaid expenses regarding insurance premiums, subscriptions and prepaid suppliers.

13 Equity

The share capital consists of 25,000,000 shares of a nominal value of DKK 1. No shares carry any special rights.

	Group		Parent company	
	2025	2024	2025	2024
	TDKK	TDKK	TDKK	TDKK
14 Other provisions				
Balance at 1 June 2024	2,000	2,000	0	0
Balance at 31 May 2025	2,000	2,000	0	0
The expected due dates of other provisions are:				
Between 1 and 5 years	2,000	2,000	0	0
	2,000	2,000	0	0

Other provisions relate to warranty costs on goods sold. Provisions are assessed annually and based on historical data.

NOTES TO THE ANNUAL REPORT



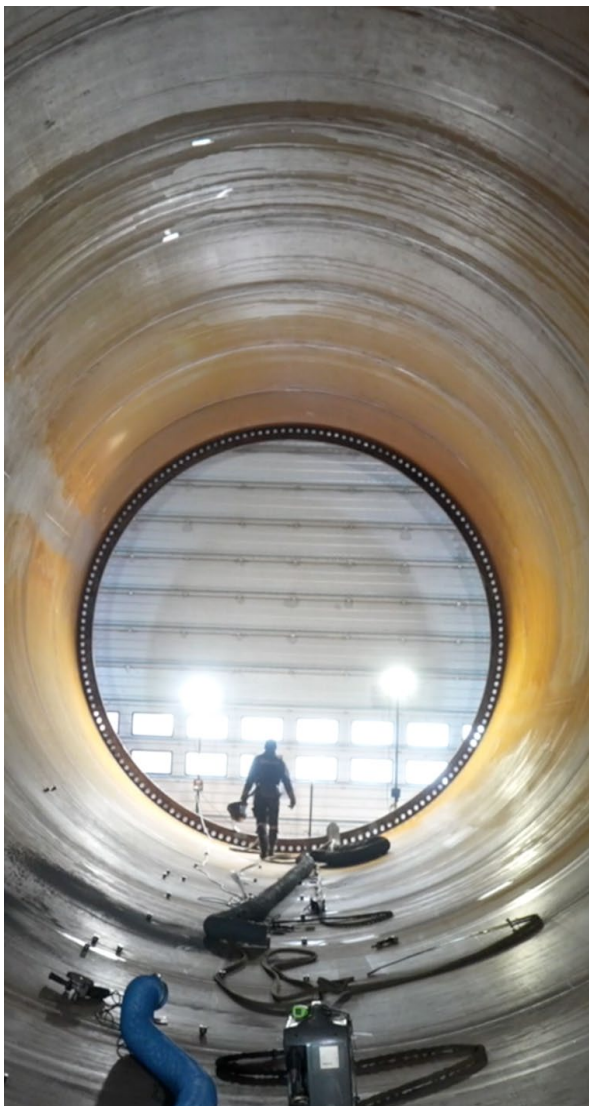
15 Long-term debt

Group	Debt at 1 June 2024	Debt at 31 May 2025	Instalment next year	Debt outstanding after 5 years
	TDKK	TDKK	TDKK	TDKK
Banks	21,339	0	0	0
Mortgage loans	279,065	285,927	17,419	191,811
Lease obligations	273,606	286,261	51,746	10,586
Joint taxation contributions payable	6,971	22,158	0	0
Other payables	20,864	21,533	0	0
Deposits	12	0	0	0
	601,857	615,879	69,165	202,397

16 Deferred income

Deferred income consists of payments received in respect of income in subsequent financial years.

NOTES TO THE ANNUAL REPORT



17 Contingent liabilities

Parent company

The company is part of the CJ Holding ApS cash pool arrangement. All participant in the cash pool arrangement are jointly and severally liable. As of 31 May 2025, the net balance in the cash pool arrangement amounts to DKK (183,709) thousand.

The company is jointly taxed with its parent company, CJ Holding ApS (management company), and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

Group

The group is part of the CJ Holding ApS cash pool arrangement. All participant in the cash pool arrangement are jointly and severally liable. As of 31 May 2025, the net balance in the cash pool arrangement amounts to DKK (183.709) thousand.

The group is jointly taxed with its parent company, CJ Holding ApS (management company), and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

Brande Investerings- og Finansieringsselskab A/S, Conwel A/S and Welcon A/S are part of a joint VAT registration with the group companies EsInvest A/S, EsEstate A/S, Superwood Holding A/S, Nordvest A/S, Welconsult ApS, Genvest Capital Invest A/S and CJ Holding ApS and is jointly and severally liable with the other companies for the payment of VAT.

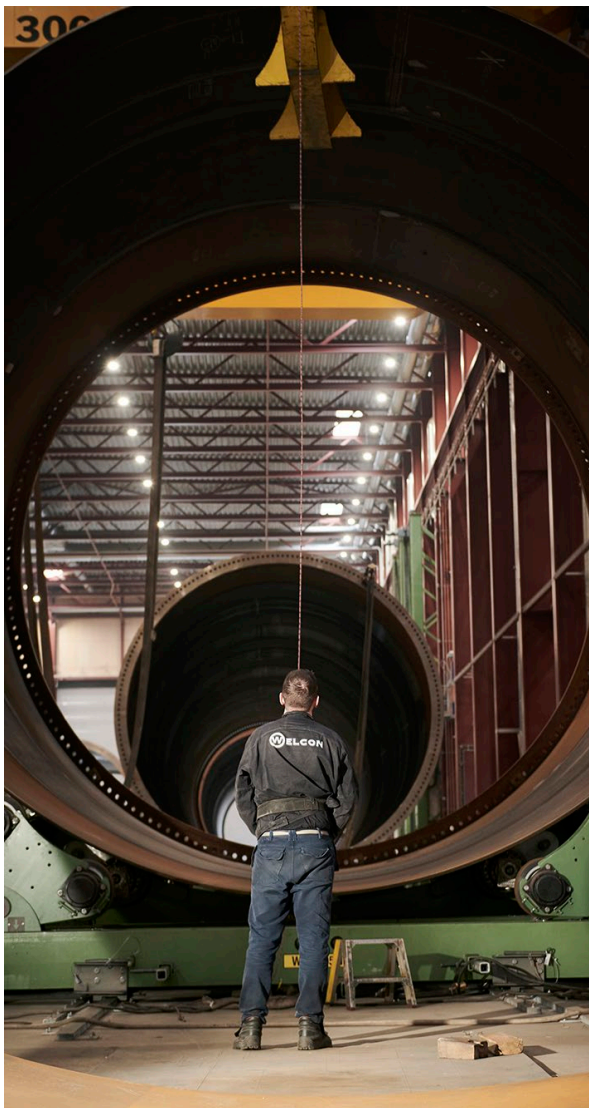
Other obligations

The group has entered into operating leases with a total commitment as of 31 May 2025 of DKK thousand 48,141. DKK 13,402 thousand is due within one year.

The group has entered into service agreements on truck services with a total commitment as of 31 May 2025 of DKK 6,179 thousand. DKK 1,686 thousand is due within one year.

In addition to the other obligations listed above, the group has entered into agreements for deliveries with suppliers within the group's ordinary course of business.

NOTES TO THE ANNUAL REPORT



18 Mortgages and collateral

Parent company

The company has issued a surety to the bank as a security for the bank debt for the group companies CJ Holding ApS and Welcon A/S.

Welcon Group A/S has provided a guarantee to third parties. As of 31 May 2025, the obligation amounts to DKK 142,221 thousand.

Group

As a security for bank debt, the group has provided company charges of DKK 35,000 thousand. The company charges include claims, inventories, operating equipment and intangible rights. The booked value of these assets amounts to DKK 490,781 thousand as of 31 May 2025.

The group has issued a surety to the bank as a security for the bank debt for the group company CJ Holding ApS.

Land and buildings at a carrying amount of DKK 829,789 thousand at 31 May 2025 have been provided as security for mortgage debt totalling DKK 285,927 thousand.

As security for bank debt, the group has issued owner's mortgages, totalling DKK 225,000 thousand in the same land and buildings.

NOTES TO THE ANNUAL REPORT



19 Related parties and ownership structure

Controlling interest

CJ Holding ApS, Give, Denmark

Transactions

The company has chosen only to disclose transactions which have not been conducted on an arm's length basis, in accordance with section 98c(7) of the Danish Financial Statements Act.

Consolidated financial statements

The company is reflected in the group report as the parent company and in the group reporting of CJ Holding ApS, Give, Denmark, central business registration no. 17 08 80 76, which is the largest group in which the company is included as a subsidiary.

NOTES TO THE ANNUAL REPORT



20 Cash flow statement - adjustments

Financial income	(20,645)	(17,145)
Financial costs	64,377	48,704
Depreciation, amortisation and impairment losses	65,481	50,972
Gain from sale of assets	(25)	0
Income from investments in participating interests	(4,131)	(2,440)
Tax on profit/loss for the year	30,010	9,182
	135,067	89,273

21 Cash flow statement - change in working capital

Change in inventories	1,805	11,437
Change in receivables	(32,477)	(102,231)
Change in trade payables, etc.	(288,413)	258,433
	(319,085)	167,639

ACCOUNTING POLICIES

The annual report of Welcon Group A/S for 2024/25 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies are identical for both the parent company financial statements and the consolidated financial statements.

The accounting policies applied are consistent with those of last year.

The annual report for 2024/25 is presented in TDKK.

Pursuant to section 96(3) of the Danish Financial Statements Act, the company has chosen not to disclose the auditor's remuneration.

BASIS OF RECOGNITION AND MEASUREMENT

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the group and the parent company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the parent company, Welcon Group A/S, and subsidiaries in which the parent company, directly or indirectly, holds more than 50% of the voting rights or otherwise has a controlling interest. Entities in which the group holds between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control, are considered participating interests or associates, cf. the group chart.

The consolidated financial statements are prepared as a consolidation of the parent company's and subsidiaries' financial statements by aggregating uniform accounting items. On consolidation, intra-group income and expenses, holdings of shares, intra-group balances and dividends as well as realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Entities acquired or formed during the year are recognised in the consolidated financial statements from the date at which control is obtained. Entities sold during the year are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated for acquisitions or disposals.

Acquirees are recognised in the consolidated financial statements using the purchase method, according to which the identifiable assets and liabilities of the acquirees are revalued at their fair values at the date of acquisition. The fair value is determined on the basis of transactions in an active market, alternatively on the basis of generally accepted valuation methods. The fair value of investment property is based on a discounted cash flow model, according to which future earnings are discounted. Operating equipment is recognised at fair value on the basis of assessments made by appraisers, which are based on an overall assessment of machinery.

ACCOUNTING POLICIES

INCOME STATEMENT SEGMENT INFORMATION

Information is provided on business segments. The segment information is provided in consideration of the group's accounting policies, risks and management control. The group only operates within one market.

REVENUE

Income from customised products is recognised as production is carried out, implying that revenue corresponds to the selling price of contracts completed in the year (percentage-of-completion method). This method is applied where the total income and expenses relating to the contract and the stage of completion at the balance sheet date can be estimated reliably and it is probable that future economic benefits will flow to the company.

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

RAW MATERIALS AND CONSUMABLES

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

OTHER OPERATING INCOME

Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment as well as payroll refunds.

OTHER OPERATING COSTS

Other operating costs comprise items of a secondary nature relative to the company's activities.

OTHER EXTERNAL EXPENSES

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

STAFF COSTS

Staff costs include wages and salaries, including holiday pay and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

Depreciation, amortisation and impairment of property, plant and equipment comprise the year's depreciation, amortisation and impairment of property, plant and equipment.

FINANCIAL INCOME AND EXPENSES

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and

unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

INCOME FROM INVESTMENTS IN SUBSIDIARIES AND PARTICIPATING INTERESTS

The proportionate share of the profit/loss for the year of subsidiaries is recognised in the parent company's income statement after full elimination of intra-group profits/losses.

The proportionate share of the profit/loss for the year of participating interests is recognised in the parent company's income statement after full elimination of intra-group profits/losses.

TAX ON PROFIT FOR THE YEAR

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit for the year and directly in equity as regards the portion that relates to entries directly in equity.

ACCOUNTING POLICIES

BALANCE SHEET TANGIBLE ASSETS

Items of land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Interest expenses on loans obtained specifically for the purpose of financing the manufacturing of items of property, plant and equipment are included in cost over the manufacturing period. All indirect, attributable borrowing costs are recognised in the income statement.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	10-25 years
Plant and machinery	2-25 years
Other fixtures and fittings, tools and equipment	2-25 years

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating costs, respectively.

INVESTMENTS IN SUBSIDIARIES AND PARTICIPATING INTERESTS

Investments in subsidiaries and participating interests are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Investments in subsidiaries and participating interests with a negative net asset value are measured at DKK 0 thousand, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries and participating interests are taken to the net revaluation reserve according to the equity method insofar as the carrying amount exceeds the cost. Dividends from subsidiaries, which are expected to be declared before the annual report of Welcon Group A/S is adopted, are not taken to the net revaluation reserve.

Acquirees are accounted for using the purchase method, see the above description of consolidated financial statements.

DEPOSITS

Deposits are measured at amortised cost.

IMPAIRMENT OF FIXED ASSETS

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

STOCKS

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

ACCOUNTING POLICIES

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

Production overheads include the indirect cost of materials, wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the cost.

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 is impaired, an impairment loss for that individual asset is recognised.

CONTRACT WORK IN PROGRESS

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

PREPAYMENTS

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and deposits at banks.

EQUITY

RESERVE FOR NET REVALUATION ACCORDING TO THE EQUITY METHOD

The reserve for net revaluation according to the equity method in the company's financial statements comprises net revaluation of investments in subsidiaries and participating interests relative to the cost.

PROVISIONS

Provisions comprise expected expenses relating to service and warranty commitments to repairs within the warranty period. The warranty period on wind turbine towers and foundations is 5 years. The provisions are measured and recognised on the basis of experience with warranty work.

INCOME TAX AND DEFERRED TAX

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

ACCOUNTING POLICIES

LIABILITIES

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

Other liabilities, which include trade payables, payables to group entities and other payments, are measured at amortised cost, which is usually equivalent to nominal value.

DEFERRED INCOME

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

FOREIGN CURRENCY TRANSLATION

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

ments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

CASH FLOW STATEMENT

The cash flow statement shows the group's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the group's cash and cash equivalents at the beginning and at the end of the year.

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

CASH FLOWS FROM OPERATING ACTIVITIES

Cash flows from operating activities are stated as the group's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under 'Interest income and dividend received'.

CASH FLOWS FROM INVESTING ACTIVITIES

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

CASH FLOWS FROM FINANCING ACTIVITIES

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

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash.

FINANCIAL HIGHLIGHTS

Definitions of financial ratios.

Return on assets	$\frac{\text{Earnings before interest and taxes} \times 100}{\text{Average assets}}$
------------------	--

Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
----------------	--

Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$
------------------	---

COMPANY DETAILS

THE COMPANY

Welcon Group A/S
Vejlevej 270
7323 Give

Central business registration no.: 43 85 11 52
Reporting period: 1 June 2024 – 31 May 2025
Domicile: Vejle

BOARD OF DIRECTORS

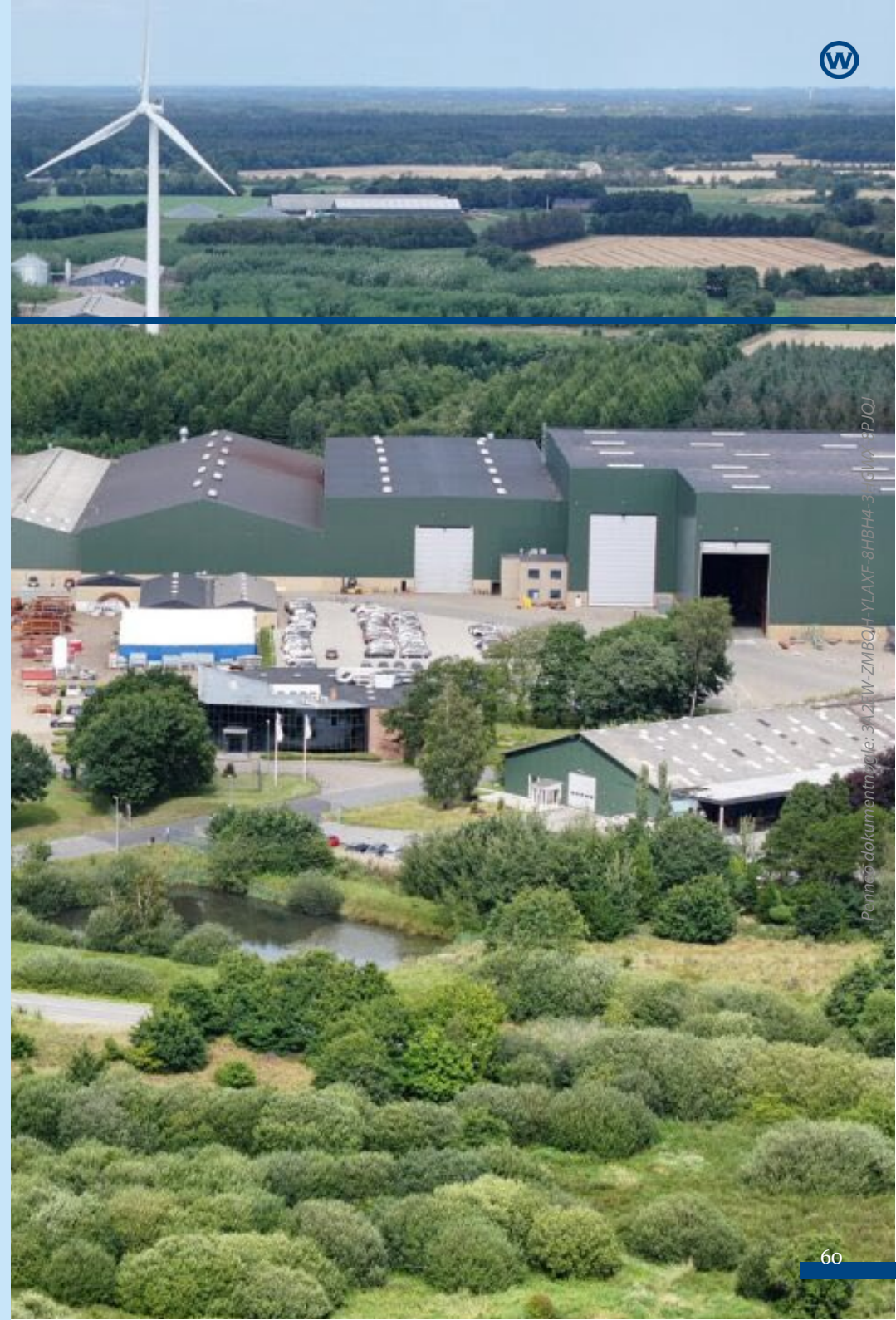
Carsten Risvig Pedersen, Chairman
Morten Breum-Leer
Jens Risvig Pedersen

EXECUTIVE BOARD

Jens Risvig Pedersen, CEO

AUDITORS

Roesgaard
Godkendt Revisionspartnerselskab
Sønderbrogade 16
8700 Horsens



STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Board of directors and Executive board have today discussed and approved the annual report of Welcon Group A/S for the financial year 1 June 2024 – 31 May 2025.

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

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the company and the group financial position at 31 May 2025 and of the results of the group and the company operations and consolidated cash flows for the financial year 1 June 2024 - 31 May 2025.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The management recommends that the annual report should be adopted at the general meeting.

Give, 25 September 2025

EXECUTIVE BOARD

Jens Risvig Pedersen, CEO

BOARD OF DIRECTORS

Carsten Risvig Pedersen
Chairman

Morten Breum-Leer

Jens Risvig Pedersen

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDER OF WELCON GROUP A/S

OPINION

We have audited the consolidated financial statements and the parent company financial statements of Welcon Group A/S for the financial year 1 June 2024 - 31 May 2025, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for both the group and the parent company as well as consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group and the parent company's financial position at 31 May 2025 and of the results of the group and the parent company's operations and consolidated cash flows for the financial year 1 June 2024 - 31 May 2025 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 consolidated financial statements and parent company" section of our report. We are independent of the group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other

ethical responsibilities in accordance with these requirements and 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 CONSOLIDATED FINANCIAL STATEMENTS AND THE FINANCIAL STATEMENTS

Management is responsible for the preparation of consolidated financial statements and parent company 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 the consolidated financial statements and the parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and parent company financial statements, management is responsible for assessing the group's and the parent 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 consolidated financial statements and parent company financial statements unless management either intends to liquidate the group or the company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PARENT COMPANY FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and parent company 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 group's and the parent 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 consolidated financial statements and parent company financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent 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 consolidated financial statements and parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Group Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

STATEMENT ON MANAGEMENT'S REVIEW

Management is responsible for management's review.

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

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

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

Based on the work we have performed, we conclude that management's review is in accordance with the consolidated financial statements and parent company 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 management's review.

Horsens, 25 September 2025

Roesgaard

Godkendt Revisionspartnerselskab
Central business registration no.: 37 54 31 28

Søren Roesgaard
State Authorised Public Accountant
mne33225

Michael Mortensen
State Authorised Public Accountant
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Kenneth Nielsen Leth

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