



Wind Enterprise P/S
CVR 41896159
Bygholm Søpark 21e
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Interim report
Q4 2022

Wind Enterprise P/S

Highlights of the report

Highlights of Q4 2022

- The Siemens Gamesa Renewable Energy (“SGRE”) long-term time charter (“SGRE long-term charter”) of 3 years and 8 months was initiated on 1 March 2021. As customary for time charter contracts, SGRE will pay a fixed time charter rate and pay for variable OPEX-related costs during the tenor of the time charter. SGRE will take on the full weather risk while ZITON will be responsible for operational uptime of the vessel.
- On 18 December 2020, Wind Enterprise P/S’s parent company ZITON A/S exercised its purchase option to acquire J/U WIND ENTERPRISE. ZITON’s purchase of the vessel was closed in January 2021. On 1 March 2021, Wind Enterprise P/S purchased the vessel from its parent company.
- EBITDA amounted to a profit of EUR 2.2m for Q4 2022 compared to EUR 2.5m in Q4 2021 reflecting high utilisation with limited off-hire days.
- For the full year 2022, EBITDA amounted to EUR 9.1m compared to EUR 7.7m for 2021. The realised EBITDA for 2022 is within the guidance of EUR 8-10m.
- We set out our KPI guidance for 2023 for EBITDA in the range of EUR 8-10m. The outlook for 2023, is based on the key assumptions that J/U WIND ENTERPRISE will continue to operate successfully on the SGRE time charter with limited off-hire days.
- Bonds issued by Wind Enterprise P/S holds security in cash flows from the SGRE long-term charter and security in the vessel J/U WIND ENTERPRISE. However, Wind Enterprise P/S’s parent company ZITON A/S provides the company with operational support for all services related to sales, technical management, maintenance costs, operations, crewing, administration etc. Therefore, Wind Enterprise P/S, is dependent upon having a financially viable parent company. The debt restructuring of ZITON A/S was completed on 30 September 2022. The debt restructuring includes various elements to provide the company with a long-term sustainable capital structure and significant strengthening of liquidity:
 - An extension of maturities of the first and second lien bonds issued by ZITON A/S by 24 months.
 - Conversion of EUR 38.7m in subordinated debt into equity.
 - Net liquidity improvement of EUR 10.1m.

The debt restructuring makes Permira Credit Solutions III Sub Master Euro S.à.r.l. the new controlling shareholder of ZITON A/S.
- As part of the solution for ZITON Group, the first lien bondholders in Wind Enterprise P/S voted to certain covenant amendments and waivers, including a change of control waiver and a loosening of the Interest Coverage Ratio covenant. The Interest Coverage Ratio covenant has been amended to minimum 2.75x during 2022, and 3.25x thereafter.

About Wind Enterprise P/S

Wind Enterprise P/S is a fully owned subsidiary of ZITON A/S. The sole purpose of Wind Enterprise P/S is to own the vessel J/U WIND ENTERPRISE. Wind Enterprise P/S was established in November 2020.

On 18 December 2020, Wind Enterprise P/S' parent company ZITON A/S exercised its call option to purchase J/U WIND ENTERPRISE, partly by issuing new shares to the seller of the vessel equivalent to EUR 10.0m. J/U WIND ENTERPRISE was purchased for EUR 42.5m, of which EUR 32.5m was cash and EUR 10.0m shares in ZITON A/S.

The purchase of the vessel was financed by establishing Wind Enterprise P/S as a wholly owned subsidiary of ZITON A/S. The EUR 10.0m in new capital was transferred into Wind Enterprise P/S as subordinated capital. Wind Enterprise P/S purchased the vessel J/U WIND ENTERPRISE and is the counterpart to SGRE under the SGRE long-term charter.

Wind Enterprise P/S has no employees, but an operational support agreement with ZITON A/S for the performance of all services related to sales, technical management, maintenance costs, operations, crewing, administration etc. The structure was set up to provide new bondholders with strong security as cash flows from the SGRE long-term charter and security in the vessel J/U WIND ENTERPRISE is ringfenced into Wind Enterprise P/S. This enabled Wind Enterprise P/S to issue a bond loan of EUR 35.0m to finance the cash payment to the seller of J/U WIND ENTERPRISE as well as for general corporate purposes in Wind Enterprise P/S.

Information in this report

The information provided in this interim report is submitted in accordance with the Bond Agreement for Wind Enterprise P/S EUR 35,000,000 Senior Secured Callable Bonds 2020/2024 (ISIN NO0010911126).

As required under the Bond Agreement, the financial statements of Wind Enterprise P/S are prepared in accordance with IFRS with Euro as the reporting currency.

This report has not been audited by the company's auditors.

Disclaimer

This report may contain certain forward-looking statements relating to the business, financial performance, and results of the Company and/or the industry in which it operates. Although the Company believes that these assumptions were reasonable when made, the statements provided in this report are solely opinions and forecasts which are subject to uncertainty, risks, contingencies, and other important factors which are difficult or impossible to predict and are beyond the Company's control. A multitude of factors may cause actual results to differ significantly from any anticipated development expressed or implied in this document. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecast results will be achieved, and you are cautioned not to place any undue reliance on any forward-looking statements.

Management Review

Contract overview

On 17 December 2020, SGRE and Wind Enterprise P/S signed a time charter of 3 years and 8 months from 1 March 2021 to 31 October 2024 for J/U WIND ENTERPRISE.

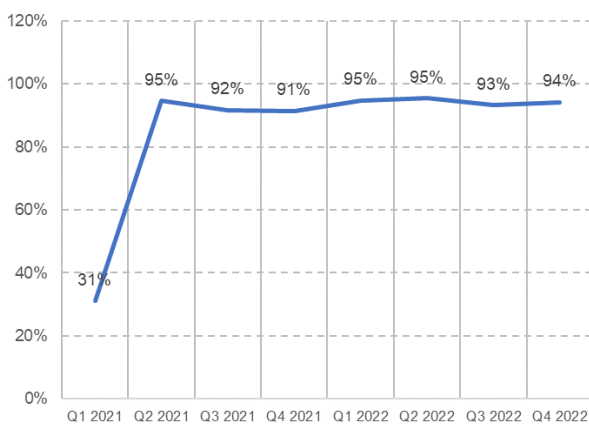
The time charter was initiated on 1 March 2021. As customary for time charter contracts, SGRE will pay a fixed time charter rate and pay for variable OPEX-related costs during the tenor of the time charter. SGRE will take on the full weather risk while Wind Enterprise P/S will be responsible for operational uptime of the vessel.

Vessel operations

The vessel entered into the SGRE long-term charter on 1 March 2021 and continues to operate successfully on the time charter with limited off-hire days.

Utilisation rate

The utilisation rate for Q4 2022 was at 94% reflecting a fixed time charter rate with limited off-hire days.



Note: The weighted average utilisation rate is calculated as vessel revenue and other operating income deducting project-related expenses during the quarter divided by full utilisation at standard rates of EUR 50 k/day.

2022 performance review

We provided guidance for 2022 in the interim report Q4 2021 published on 28 February 2022. We maintained the same guidance throughout the year as the predictability of our business was relatively high as J/U WIND ENTERPRISE was on a fixed time charter for the full year. We expected EBITDA to be in the range of EUR 8-10m. We realised EBITDA of EUR 9.1m, which is in the middle of our guidance.

Outlook for 2023

The outlook for 2023, is based on the key assumptions that J/U WIND ENTERPRISE will continue to operate successfully on the SGRE time charter with limited off-hire days. We set out our KPI guidance for 2023 for EBITDA in the range of EUR 8-10m.

Addressing parent company's capital structure

Bonds issued by Wind Enterprise P/S holds security in cash flows from the SGRE long-term charter and security in the vessel J/U WIND ENTERPRISE. However, Wind Enterprise P/S's parent company ZITON A/S provides the company with operational support for all services related to sales, technical management, maintenance costs, operations, crewing, administration etc. Therefore, Wind Enterprise P/S, is dependent upon having a financially viable parent company.

The debt restructuring of ZITON A/S was completed on 30 September 2022. The debt restructuring includes various elements to provide the company with a long-term sustainable capital structure and significant strengthening of liquidity:

- An extension of maturities of the first and second lien bonds issued by ZITON A/S by 24 months.
- Conversion of EUR 38.7m in subordinated debt into equity.
- Net liquidity improvement of EUR 10.1m.

The debt restructuring makes Permira Credit Solutions III Sub Master Euro S.à.r.l. the new controlling shareholder of ZITON A/S.

As part of the solution for ZITON Group, the first lien bondholders in Wind Enterprise P/S voted to certain covenant amendments and waivers, including a change of control waiver and a loosening of the Interest Coverage Ratio covenant. The Interest Coverage Ratio covenant has been amended to minimum 2.75x during 2022, and 3.25x thereafter.

Risks and uncertainties

Wind Enterprise P/S is exposed to various risks that may be of significance to the company's future operations, results and financial position. For a description of the risks Wind Enterprise P/S is exposed to, please refer to the Risk Management section on

pages 4-6 and note 10 "Risk management" on pages 23-24 of the annual report 2021 for Wind Enterprise P/S.

Financial Review

REVIEW OF THE INCOME STATEMENT

EUR '000	Q4 2022	Q4 2021	Change	YTD 2022	YTD 2021	Change
Revenue	4,258	4,214	45	17,208	14,118	3,090
OPEX and project-related expenses	-1,225	-1,101	-124	-5,090	-4,114	-976
SG&A	-809	-592	-217	-3,025	-2,340	-685
EBITDA	2,224	2,520	-296	9,094	7,664	1,430
Depreciation	-575	-605	30	-2,261	-2,057	-204
EBIT	1,649	1,916	-267	6,832	5,607	1,225
Financials, net	-620	-693	73	-2,681	-2,848	167
Income before tax	1,029	1,222	-194	4,151	2,759	1,392
Key ratios						
EBITDA margin	52.2%	59.8%	-7.6%	52.8%	54.3%	-1.4%

Review of the income statement for Q4 2022

The income statement for Wind Enterprise P/S shows slightly higher revenue of EUR 4.3m for Q4 2022 compared to revenue of EUR 4.2m in Q4 2021, reflecting limited off-hire days during Q4 2022.

Vessel OPEX and project-related costs amounted to EUR 1.2m for Q4 2022 compared to EUR 1.1m in Q4 2021. The increase is due to increased repair requirements.

SG&A amounted to EUR 0.8m for Q4 2022 compared to EUR 0.6m in Q4 2021. Wind Enterprise P/S has no employees, but an operational support agreement with its parent company ZITON A/S for the performance of all services related to sales, technical management, maintenance costs, operations, crewing, administration etc. For these services, ZITON A/S charges Wind Enterprise P/S for 40% of SG&A for ZITON Group.

EBITDA amounted to a profit of EUR 2.2m for Q4 2022 compared to EUR 2.5m in Q4 2021 reflecting that the increase in OPEX and SG&A utilisation with limited off-hire days.

Depreciation charges amounted to EUR 0.6m for Q4 2022 compared to EUR 0.6m in Q4 2021.

Financials, net was an expense of EUR 0.6m for Q4 2022 compared to EUR 0.7m in Q4 2021.

Interest Coverage Ratio covenant

Interest Coverage Ratio means last twelve months EBITDA divided by net interest for the same period.

The Interest Coverage Ratio was at 3.4x at the end of Q4 2022 therefore fulfilling the covenant of 2.75x for 2022 as passed by bondholders' resolution on 27 September 2022.

kEUR	EBITDA	Net interest
Q1 2022	2,249	-681
Q2 2022	2,269	-754
Q3 2022	2,352	-625
Q4 2022	2,224	-620
Last Twelve Months	9,094	-2,681
Realised Interest Coverage Ratio	3.39	
Covenant for Interest Coverage Ratio	2.75	

Review of income statement for 2022

The SGRE long-term time charter was initiated on 1 March 2021. Therefore, the comparable figures for Q1 2021 reflect that the vessel was only in operations for one month during Q1 2021.

The consolidated income statement for the Wind Enterprise P/S shows an increase in revenue by EUR 3.1m to EUR 17.2m for 2022 compared to a revenue of EUR 14.1m in for 2021. The improvement in revenue is a consequence of J/U WIND ENTERPRISE being in dock for the first two months of 2021.

Vessel OPEX and project-related costs increased to EUR 5.1m for 2022 from EUR 4.1m for 2021. The increase is primarily due to Wind Enterprise P/S

purchasing the vessel J/U WIND ENTERPRISE from the parent company on 1 March 2021, thus not incurring costs during the first two months of 2021.

SG&A increased to EUR 3.0m for 2022 from EUR 2.3m for 2021 as the operational support agreement with the parent company came into force on 1 March 2021, further the increase reflects that ZITON A/S has one-off costs related to abortion of the sales process of the company and initiation of the debt restructuring process.

EBITDA amounted to EUR 9.1m for 2022 compared to EUR 7.6m for 2021. The improvement is primarily a consequence of J/U WIND ENTERPRISE being in dock for the first two months of 2021.

Depreciation increased to EUR 2.3m for 2022 from EUR 2.1m for 2021. The increase is primarily due to Wind Enterprise P/S purchasing the vessel J/U WIND ENTERPRISE from the parent company on 1 March 2021, thus not incurring depreciation during the first two months of 2021.

Financials, net was largely unchanged with an expense of EUR 2.7m for 2022 compared to an expense of EUR 2.8m for 2021.

REVIEW OF THE BALANCE SHEET AT THE END OF Q4 2022

BALANCE SHEET EUR '000	Q4 2022	Q4 2021	Change
Assets			
Vessel, including fixtures & equipment	46,063	47,792	-1,729
Non-current assets	46,063	47,792	-1,729
Trade and other receivables	3,719	1,766	1,953
Cash and cash equivalents	387	843	-456
Current assets	4,106	2,609	1,497
Total assets	50,169	50,401	-232
Equity and Liabilities			
Equity	6,965	2,812	4,153
Subordinated loan	13,200	13,200	-
Bond loans, first lien	22,953	29,624	-6,671
Other liabilities	7,051	4,765	2,286
Total liabilities	43,204	47,589	-4,385
Total equity and liabilities	50,169	50,401	-232

Review of the balance sheet, end of 2022

The total value of the vessel (incl. fixtures & equipment) amounted to EUR 46.1m at the end of 2022 compared to EUR 47.8m at the end of 2021. The decline is attributed to depreciation being higher than CAPEX during the last year. The total value of the vessel includes the purchase price of J/U WIND ENTERPRISE as well as CAPEX completed by the parent company before Wind Enterprise P/S purchased the vessel, as well as regular CAPEX.

Trade and other receivables amounted to EUR 3.7m at the end of 2022 compared to EUR 1.8m at the end of 2021. Receivables are solely related to the SGRE long-term charter. The increase is due to late payment of invoices due in December 2022 that was paid in the beginning of 2023.

Equity was at EUR 7.0m at the end of 2022 compared to a EUR 2.8m at the end of 2021. The increase is due to positive income during the year. The subordinated loan is provided by the parent company consisting of the EUR 10.0m shares issued by ZITON A/S and CAPEX completed by the parent company before Wind Enterprise P/S purchased the vessel.

Asset Coverage Ratio covenant

Asset Coverage Ratio means the ratio of the latest market value to the outstanding amount less the sum of the amount standing to credit on the collection account and the monthly amortization transfers standing to credit on the retention account.

The Asset Coverage Ratio was at 287% at the end of 2022 exceeds the covenant of 150% for 2022. The asset coverage ratio is calculated with the market value of the vessel determined as the arithmetic mean of two independent valuations of J/U WIND ENTERPRISE. The market value amounts to EUR 67.5m, while outstanding amount of the first lien bonds issued by Wind Enterprise P/S equals EUR 23.5m.

REVIEW OF STATEMENT OF CASH FLOWS FOR Q4 2022

EUR '000	Q4 2022	Q4 2021	Change	YTD 2022	YTD 2021	Change
EBITDA	2,224	2,520	-296	9,094	7,664	1,430
Working capital adjustments	-259	-1,062	803	332	2,888	-2,556
Other adjustments	522	-10	532	-42	-60	18
Net cash flows from operating activities	2,487	1,449	1,039	9,384	10,492	-1,108
Financial payments, net	-551	-593	42	-2,306	-2,404	98
Net cash before investing activities	1,937	856	1,080	7,078	8,088	-1,010
Investing activities	-180	-53	-127	-533	-49,835	49,302
Net cash flows after investing activities	1,757	803	953	6,545	-41,747	48,292
Financing activities	-1,750	-918	-832	-7,000	42,536	-49,536
Net cash flows after financing activities	7	-115	121	-455	789	-1,244

Review of the cash flow statement

Cash flows from operating activities were an inflow of EUR 2.5m for Q4 2022 compared to EUR 1.4m in Q4 2021. For 2022, they were an inflow of EUR 9.4m compared to EUR 10.5m for 2021. The main reason for the decrease is positive working capital adjustments in 2021 due to increase in payables to the parent company from the operational support agreement.

Financial payments, net amounted to an outflow of EUR 0.6m for Q4 2022 compared to an outflow of EUR 0.6m for 2021. For 2022, they were an outflow of EUR 2.3m compared to an outflow of EUR 2.4m for 2021.

Investing activities amounted to EUR 0.2m for Q4 2022 compared to EUR 0.1m for Q4 2021. For 2022, they were an outflow of EUR 0.5m compared to an outflow of EUR 49.8m for 2021 mainly used for purchased of J/U WIND ENTERPRISE and CAPEX in connection with 10-years classing of the vessel completed in Q1 2021.

Financing activities amounted to a cash outflow of EUR 1.8m in Q4 2022 and EUR 7.0m for the full year 2022 that is used for payment to the retention account of the bond loan.

Financial statements for Wind Enterprise P/S

INCOME STATEMENT

EUR '000	Note	Q4 2022	Q4 2021	YTD 2022	YTD 2021
Revenue	2	4,258	4,214	17,208	14,118
Project-related expenses		-	0	-2	-0
Operational expenses		-1,225	-1,101	-5,088	-4,114
Gross profit		3,033	3,113	12,119	10,004
Administrative expenses		-208	-154	-929	-563
Staff costs, office staff		-601	-438	-2,096	-1,777
EBITDA		2,224	2,520	9,094	7,664
Depreciation & amortisation		-575	-605	-2,261	-2,057
EBIT		1,649	1,916	6,832	5,607
Financial income		7	-	7	10
Financial expenses		-628	-693	-2,688	-2,857
Income before tax		1,029	1,222	4,151	2,759
Tax on profit (loss)		-	-	-	-
Income for the year		1,029	1,222	4,151	2,759
<i>Attributable to:</i>					
Owners of ZITON A/S		1,029	1,222	4,151	2,759
Non-controlling interest - Profit/loss		-	-	-	-
Income for the year		1,029	1,222	4,151	2,759

STATEMENT OF COMPREHENSIVE INCOME

EUR '000	Note	Q4 2022	Q4 2021	YTD 2022	YTD 2021
Income for the year		1,029	1,222	4,151	2,759
<i>Items that will be reclassified subsequently to the income statement when specific conditions are met:</i>					
Exchange adjustments, net of tax		-	-	2	-1
Cash flow hedges, realised gains/(losses) incurred during period		-	-	-	-
Cash flow hedges, deferred gains/(losses) incurred during period		-	-	-	-
Total comprehensive income for the year, after tax		1,029	1,222	4,153	2,758
<i>Attributable to:</i>					
Owners of ZITON A/S		1,029	1,222	4,153	2,758
Non-controlling interest - Profit/loss		-	-	-	-
Total comprehensive income for the year, after tax		1,029	1,222	4,153	2,758

BALANCE SHEET			
<i>EUR '000</i>		Q4 2022	Q4 2021
Assets			
Non-current assets			
Vessel, including fixtures & equipment	3	46,063	47,792
Non-current assets		46,063	47,792
Current assets			
Trade and other receivables		3,719	1,766
Cash and cash equivalents		387	843
Current assets		4,106	2,609
Total assets		50,169	50,401
Equity and Liabilities			
Equity			
Share capital		54	54
Retained earnings		6,911	2,758
Total equity attributable to owners of ZITON A/S		6,965	2,812
Non-controlling interest		-	-
Total equity		6,965	2,812
Liabilities			
Non-current liabilities			
Subordinated loan		13,200	13,200
Bond loans, first lien		15,559	25,411
Total non-current liabilities		28,759	38,611
Current liabilities			
Bond loans, first lien		7,394	4,213
Trade and other payables		7,051	4,765
Provision for other liabilities		-	-
Total current liabilities		14,445	8,978
Total liabilities		43,204	47,589
Total equity and liabilities		50,169	50,401

STATEMENT OF CASH FLOWS

EUR '000

Note	Q4 2022	Q4 2021	YTD 2022	YTD 2021
Income before tax	1,029	1,222	4,151	2,759
Operating activities				
<i>Adjustments for non-cash items</i>				
Reversal financial expenses, net	620	693	2,679	2,848
Depreciation and writedowns of the period	575	605	2,261	2,057
Other adjustments	522	-10	-42	-60
<i>Working capital adjustments</i>				
Change in trade receivables	-1,678	0	-1,953	-1,754
Change in trade payables	1,419	-1,062	2,286	4,643
Net cash flows from operating activities	2,487	1,449	9,383	10,492
<i>Financial payments</i>				
Financial receipts	7	-	7	-
Financial payments	-558	-593	-2,313	-2,404
Net cash flows before investing activities	1,936	856	7,077	8,088
Investing activities				
Purchase of Tangible Fixed Assets	-180	-53	-533	-49,835
Net cash used in investing activities	-180	-53	-533	-49,835
Financing activities				
Bond loan	-1,750	-918	-7,000	29,338
Subordinated loan from parent	-	-	-	13,198
Net cash used/received in financing activities	-1,750	-918	-7,000	42,536
Net (decrease)/increase in cash and cash equivalents	6	-115	-456	789
Cash and cash equivalents at beginning of period	381	957	843	54
Net cash and cash equivalents at end of period	387	843	387	843

STATEMENT OF CHANGES IN EQUITY

YTD 2022

<i>EUR '000</i>	Share capital	Retained earnings	Total equity
Balance at 31 December 2021	54	2,758	2,812
Total comprehensive income, after tax	-	4,153	4,153
Capital increase in parent	-	-	-
Balance at YTD	54	6,911	6,965

Share capital

At the end of Q4 2022, the share capital consisted of 400,000 shares of DKK 1 each (EUR 54k). There are no share classes.

YTD 2021

<i>EUR '000</i>	Share capital	Retained earnings	Total equity
Balance at 31 December 2020	54	-	54
Total comprehensive income, after tax	0	2,758	2,758
Capital increase in parent	-	-	-
Balance at YTD	54	2,758	2,812

Share capital

At the end of Q4 2021, the share capital consisted of 400,000 shares of DKK 1 each (EUR 54k). There are no share classes.

Note 1 – Time charter revenue

The internal reporting framework used for reporting on revenue and expenses to the Executive Management Team and the Board of Directors has been set up to reflect and report on jack-up vessel. As Wind Enterprise P/S only owns one vessel, there is only one operating segment.

ACCOUNTING POLICIES

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are reduced for estimates for trade allowances, rebates and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each engagement.

Leases

Where contracts are identified as a lease (time charter), revenue recognition is based on a straight-line basis over the term of the lease period.

Revenue recognised in the financial year and the comparable financial year include the agreed time charter rates earned during leases. The lease and service components are recognised as revenue under the same pattern of transfer to customers. A separate disclosure of the lease components and the service income components has not been provided as it is impracticable to establish such a disclosure.

Note 2 - Vessel

<i>EUR '000</i>	Vessels	Total
Cost at 1 January 2022	49,849	49,849
Exchange rate adjustments	-	-
Additions	534	534
Disposals	-	-
Cost YTD	50,382	50,382
Depreciation at 1 January 2022	-2,057	-2,057
Exchange rate adjustments	-	-
Depreciation	-2,262	-2,262
Disposals	-	-
Depreciation YTD	-4,319	-4,319
Impairment losses at 1 January 2022	-	-
Impairment losses YTD	-	-
Carrying amount YTD	46,063	46,063

Assessment of Impairment of vessel

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. As Wind Enterprise P/S realised a profit for the year and equity is positive at the end of the reporting period, no indicator of impairment has been identified and as a result, Wind Enterprise P/S has not performed an impairment test.

ACCOUNTING POLICIES

The company's accounting policy for vessels and fixtures & equipment is stated at historical costs less depreciation. Historical costs include expenditures directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The basis of depreciation is allocated on a straight-line basis over the estimated useful lives of the assets as follows:

- Vessels: 25 years
- Installed equipment on vessels: between 3 and 12 years

Docking costs and costs related to the significant improvements of the vessel are capitalised, decomposed and depreciated over the period until the next docking or over the estimated useful lives of the assets, typically five to ten years.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Note 3 - Commitments and contingencies

Since the end of 2021, no significant changes have occurred to contingent assets and liabilities other than those referred to in the annual report for 2021.

Note 4 - Related party transactions

No significant changes have occurred to related parties or types and scale of transactions with these parties other than what was disclosed in the 2021 annual report.

Note 5 - Subsequent events

Other than the developments disclosed in the review, no significant events have occurred between the end of the quarter and publication of this interim report which materially affect the results for the period or the financial position.

Note 6 – Basis of reporting

General information

The interim report has been prepared in accordance with the international financial reporting standard IAS 34 on interim reports.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Accounting Standards as adopted by the EU ("Adopted IFRSs"),

The financial statements of Wind Enterprise P/S are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Wind Enterprise P/S, Bygholm Søpark 21E DK-8700 Horsens, Denmark.

The accounting policies adopted in the preparation of the interim report are consistent with those applied in the preparation of the ZITON Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022. The ZITON Group nor Wind Enterprise P/S have not applied early adoption of any other standard, interpretation or amendment that has been issued but is not yet effective.

ACCOUNTING POLICIES

Foreign currencies

Functional and presentational currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). Although the functional currency for Wind Enterprise P/S is DKK, the consolidated financial statements are presented in EUR because the main financing is in EUR.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in profit or loss. They are deferred in equity if they are attributable to part of the net investment in a foreign operation. Foreign exchange gains and losses that relate to borrowings are presented in the income statement under financial income/expenses. All other foreign exchange gains and losses are presented in the income statement on a net basis under revenue or other expenses. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Income statement

Operational and administrative expenses are based on an operational support agreement with ZITON A/S for the performance of all services related to sales, technical management, maintenance costs, operations, crewing, administration etc. The structure was set up to provide new bondholders with strong security as cash flows from the SGRE long-term charter and security in the vessel J/U WIND ENTERPRISE is ringfenced into Wind Enterprise P/S.

Cash flows

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

Cash flows from operating activities are calculated according to the indirect method as the income before tax adjusted for non-cash operating items and changes in working capital.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of intangible assets, property, plant and equipment and other non-current assets.

Cash flows from financing activities comprise changes in the share capital and related costs as well as the raising of loans, repayment of bank and bond debt, instalments on leases, acquisition and disposal of subordinated debt.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the company's financial reporting requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets and liabilities affected in future periods. The consolidated financial statements are a result of processing large numbers of transactions and aggregating those transactions into classes according to their nature or function. The transactions are presented in classes of similar items in the consolidated financial statements. If a line item is not individually material, it is aggregated with other items of a similar nature in the consolidated financial statements or in the notes. Accounting estimates identified are those that have a significant risk of resulting in a material adjustment to the measurement of assets and liabilities in the following reporting period. Management bases its estimates on historical experience and various other assumptions that are held to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. If necessary, changes are recognised in the period in which the estimate is revised. Management considers the key accounting estimates to be reasonable and appropriate based on currently available information. The actual amounts may differ from the amounts estimated as more detailed information becomes available. In addition, management makes judgments and estimates in the process of applying the entity's accounting policies, for example regarding recognition and measurement of deferred income tax assets or the classification of transaction.

Please refer to the specific notes for further information on the key accounting estimates and judgments as well as assumptions applied.

There are substantial disclosure requirements throughout IFRS. Management provides specific disclosures required by IFRS unless the information is not applicable or is considered immaterial to the economic decision-making of the users of these financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that involve a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed in relevant notes listed below. The accounting estimates and assumptions which management deems to be significant to the preparation of the consolidated financial statements are:

Useful lives of the vessel

For a description of the risks Wind Enterprise P/S is exposed to, please refer to the Risk Management section on pages 4-6 and note 10 "Risk management" on pages 23-24 of the annual report 2021 for Wind Enterprise P/S.

Management statement

The Board of Directors and Executive Management have considered and approved the interim report for Wind Enterprise P/S for Q4 2022. This report has not been audited by the company's auditors.

The interim report for Q4 2022 has been prepared in accordance with International Financial Reporting Standards and IAS 34 as adopted by the EU.

In our opinion, the interim report gives a true and fair view of the Wind Enterprise P/S' assets, liabilities, and financial position at 31 December 2022, and of the results of the Wind Enterprise P/S' operations and cash flow for 2022.

We further consider that the Management review gives a true and fair view of the developments in Wind Enterprise P/S' activities and business, the results for the period and of Wind Enterprise P/S' financial position as a whole, and a description of the most significant risks and uncertainties which Wind Enterprise P/S faces.

Horsens, 28 February 2023

Executive Management

Thorsten Jalk
CEO

Board of Directors

Rasmus Mühlebach
Chairman

Thorsten Jalk

Jens Michael Haurum

Financial calendar 2022 and 2023

Interim report Q4 2022 – 28 February 2023

Annual Report 2022 - 19 April 2023

Interim report Q1 2023 - 24 May 2023

Interim report Q2 2023 - 30 August 2023

Interim report Q3 2023 - 23 November 2023

For further information, please contact

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