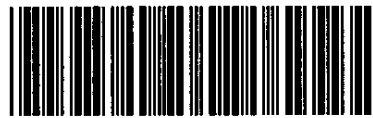


Company registration number: 13778332

UNAUDITED ANNUAL REPORT  
AND FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
30 SEPTEMBER 2022

ARC MIDCO 2 LIMITED



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# ARC MIDCO 2 LIMITED

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## COMPANY INFORMATION

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**Directors**

A E H Lawson (appointed 2 December 2021)  
S W Robinson (appointed 2 December 2021)  
C L Thilsted (appointed 20 January 2022)  
A M Wood (appointed 20 January 2022)

**Registered number**

13778332

**Registered office**

1st Floor  
91-94 Lower Marsh  
London  
SE1 7AB

**Accountants**

Menzies LLP  
Chartered Accountants  
1st Floor  
Midas House  
62 Goldsworth Road  
Woking  
Surrey  
GU21 6LQ

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# ARC MIDCO 2 LIMITED

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# ARC MIDCO 2 LIMITED

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## STRATEGIC REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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### Introduction

The directors present their report and the financial statement for the year ended 30 September 2022.

### Business review

The principal activity of the company is to act as a holding company for other entities in the Wood Thilsted Group and in this role KPI reporting is not deemed relevant by management.

In addition, the entity holds debt and loans, these fund other entities in the form of intercompany receivables. During the year a revolving credit facility was secured with HSBC Bank Plc.

The company is an investment and financing vehicle only. ARC Topco Limited contains the full Group overview.

The loss for the year amounts to £3,300.

### Principal risks and uncertainties

#### Financial Risk

The financial management goal is to protect the company from events that might hinder the achievement of the company's performance objectives either due to cash flow or counterparty risks. The company's principal financial instruments compromise of receivables, payments and shareholders' equity.

#### Interest rate risk

The Company financial liabilities are composed of loan notes bearing fixed interest rates and the revolving credit facility. The Group's exposure to market risk in relation to changes in interest rates relates primarily to a revolving credit facility secure in the financial year. The Group manages this risk through sensitivity analysis and seeks to maintain adequate headroom against an adverse move in base rates.

#### Exchange rate risk

The Company is not exposed to any significant foreign currency risk as most transactions are in GBP.

#### Liquidity Risk

Liquidity risk relates to the Company's ability to meet its cashflow requirements. The Company limits its liquidity risk by having matching non-current financial assets and liabilities.

This report was approved by the board and signed on its behalf.

DocuSigned by:

*Christian LeBlanc Thilsted*

.....5676685A68404G7.....

**C L Thilsted**  
Director

DocuSigned by:

*Alastair Muir Wood*

.....E45EB41233314FF.....

**A M Wood**  
Director

Date: 30-Jun-2023

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# ARC MIDCO 2 LIMITED

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## DIRECTORS' REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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The directors present their report and the financial statements for the period ended 30 September 2022.

### Directors

The directors who served during the period were:

A E H Lawson (appointed 2 December 2021)  
S W Robinson (appointed 2 December 2021)  
C L Thilsted (appointed 20 January 2022)  
A M Wood (appointed 20 January 2022)

### Principal activity

The principal activity of the group is that of engineering and consulting in support of offshore wind projects.

The Company was incorporated on 2 December 2021 and start trading on 21 January 2022.

### Results and dividends

The loss for the period, after taxation, amounted to £3,300.

The directors do not recommend payment of a dividend.

### Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Matters covered in the Strategic Report

The Company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 to set out within the company's Strategic Report the Company's Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008.

This includes information that would have been included in the business review and details of the principal risks and uncertainties.

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## ARC MIDCO 2 LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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This report was approved by the board and signed on its behalf.

DocuSigned by:

*Christian LeBlanc Thilsted*

.....58758B5A53184CZ.....

**C L Thilsted**

Director

Date: 30-Jun-2023

DocuSigned by:

*Alastair Muir Wood*

.....E45EB412233145F.....

**A M Wood**

Director

Date: 30-Jun-2023

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ARC MIDCO 2 LIMITED

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**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS  
ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL  
STATEMENTS OF ARC MIDCO 2 LIMITED  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

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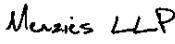
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Arc Midco 2 Limited for the period ended 30 September 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes from the Company's accounting records and from information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at:  
[www.icaew.com/en/members/regulations-standards-and-guidance/](http://www.icaew.com/en/members/regulations-standards-and-guidance/).

This report is made solely to the Board of Directors of Arc Midco 2 Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Arc Midco 2 Limited and state those matters that we have agreed to state to the Board of Directors of Arc Midco 2 Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Arc Midco 2 Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Arc Midco 2 Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the Company's assets, liabilities, financial position and loss. You consider that Arc Midco 2 Limited is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or review of the financial statements of Arc Midco 2 Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

DocuSigned by:  
  
196D23E652964A4

**Menzies LLP**

Chartered Accountants

1st Floor  
Midas House  
62 Goldsworth Road  
Woking  
Surrey  
GU21 6LQ

Date: 30-Jun-2023

# ARC MIDCO 2 LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Note	2 December to 30 September 2022 £
Administrative expenses		(3,300)
<b>Operating (loss)</b>	4	<b>(3,300)</b>
Interest receivable and similar income	6	4,181,085
Interest payable and similar expenses	7	(4,181,085)
<b>(Loss) before tax</b>		<b>(3,300)</b>
<b>(Loss) for the financial period</b>		<b>(3,300)</b>

There was no other comprehensive income for the period ended 30 September 2022.

The notes on pages 8 to 12 form part of these financial statements.



# ARC MIDCO 2 LIMITED

## REGISTERED NUMBER:13778332

### STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022

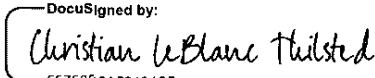
	Note	2022 £
<b>Fixed assets</b>		
Investments	8	495,292
		<u>495,292</u>
<b>Current assets</b>		
Debtors: amounts falling due after more than one year	9	79,185,791
		<u>79,185,791</u>
Creditors: amounts falling due within one year	10	(3,300)
		<u>(3,300)</u>
<b>Net current assets</b>		<u>79,182,491</u>
<b>Total assets less current liabilities</b>		<u>79,677,783</u>
Creditors: amounts falling due after more than one year	11	(79,185,790)
		<u>(79,185,790)</u>
<b>Net assets</b>		<u>491,993</u>
<b>Capital and reserves</b>		
Called up share capital	12	495,293
Profit and loss account	13	(3,300)
		<u>(3,300)</u>
		<u>491,993</u>

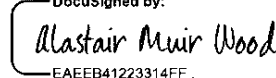
The directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with the section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:  
  
 5575885A53184C7  
**C L Thilsted**  
 Director 30-Jun-2023

DocuSigned by:  
  
 EAEEB41223314FF  
**A M Wood**  
 Director 30-Jun-2023

The notes on pages 8 to 12 form part of these financial statements.

# ARC MIDCO 2 LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Called up share capital £	Profit and loss account £	Total equity £
<b>Comprehensive loss for the period</b>			
Loss for the period	-	(3,300)	(3,300)
Shares issued during the period	495,293	-	495,293
<b>At 30 September 2022</b>	<b>495,293</b>	<b>(3,300)</b>	<b>491,993</b>

The notes on pages 8 to 12 form part of these financial statements.

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# ARC MIDCO 2 LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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### 1. General information

Arc Midco 2 Limited is a private company limited by shares, incorporated in England and Wales. The address of its registered office and principal place of business is disclosed on the company information page.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company was incorporated on 2 December 2021 and started trading from 21 January 2022, therefore the activity is for the period from that date to 30 September 2022.

The following principal accounting policies have been applied:

#### 2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of ARC Topco Limited as at 30 September 2022 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

#### 2.3 Interest income

Interest income is recognised in profit or loss using the effective interest method.

#### 2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

# ARC MIDCO 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

### 2. Accounting policies (continued)

#### 2.6 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. *The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.*

*The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.*

The directors do not consider there to be any judgments or estimation uncertainty which materially impact these financial statements.

### 4. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2022 £
Administrative expenses	(3,300)
<b>Operating (loss)</b>	<b>(3,300)</b>

### 5. Employees

The average monthly number of employees, including the directors, during the period was as follows:

	2022 No.
Directors	4

No Directors received remuneration in this company.

# ARC MIDCO 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

### 6. Interest receivable

	2022 £
Interest receivable from group companies	4,181,085
	<u>4,181,085</u>

### 7. Interest payable and similar expenses

	2022 £
Interest payable to group companies	4,181,085
	<u>4,181,085</u>

### 8. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
Additions	495,292
At 30 September 2022	<u>495,292</u>

On 21 January 2022, a transaction occurred to acquire the share capital of Wood Thilsted Limited. This created four new parent companies of Wood Thilsted Limited each holding loans in respect of the acquisition.

The balance of £495,292 is the investment in ARC Bidco Limited's share capital.

#### The following were subsidiary undertakings of the Company:

ARC Bidco Limited - Ordinary 100% - registered office (A)  
 Wood Thilsted Limited - Ordinary 100% - registered office (A)  
 Wood Thilsted Partners Limited - Ordinary 100% - registered office (A)  
 Wood Thilsted APS - Ordinary 100% - registered office (B)  
 Wood Thilsted Inc - Ordinary 100% - registered office (C)  
 Wood Thilsted Poland - Ordinary 100% - registered office (D)  
 Wood Thilsted South Korea - Ordinary 100% - registered office (E)

#### Registered offices:

A - 1st Floor, 91 - 94 Lower Marsh, London, England, SE1 7AB  
 B - Kathrinevej 1, 2900 Hellerup, Denmark  
 C - 1400 Hancock St., 4th Floor, Quincy, MA 02169  
 D - ul. Inflancka 4, 00-189 Warsaw  
 E - #603, 366 Cheonho-daero Seongdong-gu, Seoul, Korea

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# ARC MIDCO 2 LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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### 9. Debtors

#### Due after more than one year

Amounts owed by group undertakings

79,185,791

79,185,791

The group loans are repayable in January 2029 and interest is charged at a rate of 8% per annum, compounding over the term.

### 10. Creditors: Amounts falling due within one year

2022

£

Accruals and deferred income

3,300

3,300

### 11. Creditors: Amounts falling due after more than one year

2022

£

Amounts owed to group undertakings

79,185,790

79,185,790

The group loans are repayable in January 2029 and interest is charged at a rate of 8% per annum, compounding over the term.

### 12. Share capital

2022

£

#### Allotted, called up and fully paid

49,529,344 Ordinary shares of £0.01 each

495,293

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

### 13. Reserves

#### Profit and loss account

Profit and loss reserves reflect cumulative profits and losses net of distributions to owners.

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# ARC MIDCO 2 LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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### **14. Related party transactions**

The Company has taken advantage of the exemption available under section 33 of FRS 102 and not disclosed details of transactions of balances with wholly group entities.

### **15. Ultimate Parent Undertaking and Controlling Party**

The immediate parent company is ARC Midco Limited.

The ultimate parent entity is ARC Topco Limited, and the financial statements of ARC Midco 2 Limited are included in the consolidation. This is available at Companies House, Crown Way, Cardiff, CF14 3UZ.

The directors of the company deem Christian LeBlanc Thilsted and Alastair Muir Wood to be the ultimate controlling parties.