Baagøe | Schou

statsautoriseret revisionsaktieselskab

CT-Technologies ApS

Trørødvej 63B, 2950 Vedbæk

Company reg. no. 13 68 85 32

Annual report

2021

The annual report was submitted and approved by the general meeting on the 19 April 2022.

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Erik Schmidt Taarnhøj

Chairman of the meeting

Contents

Notes to users of the English version of this document:

- *This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.*
- *To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.*
- *Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.*

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of CT-Technologies ApS for the financial year 2021.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

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

We recommend that the annual report be approved at the Annual General Meeting.

Vedbæk, 19 April 2022

Managing Director

Carsten Thorsen

Board of directors

Erik Schmidt Taarnhøj	Carsten Thorsen	Sven Erik Oppelstrup Madsen
Peter Thorsen		

To the Shareholders of CT-Technologies ApS

Qualified Opinion

We have audited the financial statements of CT-Technologies ApS for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, except for the possible effect of the matter described in the “Basis for Qualified Opinion” section of our report, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January – 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Qualified Opinion

The investments in the Philippine subsidiary are recognised at DKK thousand 5,464. The subsidiary's accounts for 2021 show a deficit of DKK thousand 1,212 and an equity of DKK thousand 565. This indicates a need for impairment in relation to the value recognised in these accounts per 31/12-2021. It has not been possible to obtain sufficient and appropriate audit evidence for a specific amount, and we have therefore not been able to determine whether a change in this amount is necessary.

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 1 in the accounts, which shows that there is significant uncertainty about the value of the work in progess. Our conclusion is no modified regarding this relationship.

Management’s Responsibilities for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management’s Review

Management is responsible for Management’s Review.

Our opinion on the 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 financial statements, our responsibility is to read Management’s Review and, in doing so, consider whether Management’s Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether 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 financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management’s Review.

Copenhagen, 19 April 2022

Baagøe | Schou
State Authorised Public Accountants
Company reg. no. 21 14 81 48

Niklas Tullberg Hoff
Registered Accountant
mne34597

Company information

The company	CT-Technologies ApS Trørødvej 63B 2950 Vedbæk	
	Company reg. no.	13 68 85 32
	Financial year:	*1 January 2021 - 31 December 2021* *32nd financial year*
Board of directors	Erik Schmidt Taarnhøj Carsten Thorsen Sven Erik Oppelstrup Madsen Peter Thorsen	
Managing Director	Carsten Thorsen	
Auditors	Baagøe | Schou statsautoriseret revisionsaktieselskab Fiolstræde 44, 3. th. 1171 København K	

The principal activities of the company

The company's most essential activity is engineering, including consulting on design, project management and delivery of materials for major construction contracts.

Uncertainties about recognition or measurement

The calculation of the carrying amount of certain assets and liabilities requires an estimate of how future events will affect the value of those assets and liabilities at the balance sheet date.

The estimates used are based on assumptions that management assesses are justifiable, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. In addition, the company is subject to risks and uncertainties, which may lead to actual results deviating from these estimates.

Estimates that are particularly significant for the account loader are primarily associated with the recognition of construction contracts and the risks involved in the execution and measurement of these. This involves measuring the sales value of ongoing construction contracts, calculating guarantee obligations and loss-making contracts, as well as assessing the outcome of disputes.

Development in activities and financial matters

The net profit for the years totals DKK 982,304.
The equity totals DKK -1,372,023.

The net profit is considerate satisfactory.

The annual report for CT-Technologies ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The company's management has decided not to have consolidated financial statements prepared, as the group as a whole does not exceed 2 of the size criteria listed in section 110 of the Danish Financial Statements Act.

The accounting policies are unchanged from last year.

The annual report is presented in DKK

The accounting period has been changed in the current financial year and comprises the period 1 January – 31 December 2021. The comparative figures in the income statement comprise the period 1 May 2020 – 31 December 2020.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

The carrying amount of intangible and tangible fixed assets is reviewed annually to determine whether there is any indication of impairment in addition to that expressed in normal depreciation. If this is the case, a write-down is made to the lower recoverable amount.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue

Contract work in progress concerning construction contracts is recognised in the revenue concurrently with the production process. Thus, the revenue corresponds to the selling price of the total yearly production (the production method). The revenue is recognised when the total income and costs of the contract and the stage of completion on the reporting date can be reliably validated and it is deemed probable that the financial benefits will flow to the company.

When the results of a contract cannot be reliably validated, the revenue is recognised solely on a cost basis to the extent that it seems probable that the costs will be recovered.

Cost of sales

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income and cost

Other operating income and cost comprises items of a secondary nature as regards the principal activities of the enterprise, including profit/loss from the disposal of intangible and tangible assets.

Other external expenses

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, etc.

Results from investments in subsidiaries

Dividend from investments in subsidiaries is recognised in the financial year in which the dividend is declared.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Investments

Investments in subsidiaries

Investments in subsidiaries arerecognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

Other financial instruments

Financial instruments recognised under non-current assets comprise listed bonds and shares measured at fair value on the reporting date.

Other unlisted financial instruments are measured at cost. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

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

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The degree of completion is measured on the basis of the concrete progress on each contract. Progress is measured on the basis of direct measurements of the value to the customer of the services provided that have been transferred to date, in relation to the remaining services agreed upon in the contract.

When the selling price of the individual work in progress can not be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

If the total cost of the work in progress is expected to exceed the total sales value, the expected loss is recognized as a loss-making agreement under provisions and is expensed in the income statement.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Financial instruments investments

Financial instruments investments recognised under current assets consist of listed shares and bonds which are measured at fair value on the reporting date. Unlisted investments are measured at cost. Writedown takes place to the recoverable amount if this value is lower than the carrying amount.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, affiliated companies, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement

All amounts in DKK.

Note		1/1 - 31/12 2021	1/5 - 31/12 2020
	Gross profit	**4.030.263**	**-1.397.180**
3	*Staff costs*	-2.012.587	-1.307.379
	Profit before net financials	**2.017.676**	**-2.704.559**
	Other financial income	93.881	7.345
4	*Other financial expenses*	-1.129.253	-706.091
	Pre-tax net profit or loss	**982.304**	**-3.403.305**
	Tax on net profit or loss for the year	0	0
	Net profit or loss for the year	**982.304**	**-3.403.305**
	Proposed appropriation of net profit:		
	Transferred to retained earnings	982.304	0
	Allocated from retained earnings	0	-3.403.305
	Total allocations and transfers	**982.304**	**-3.403.305**

Balance sheet at 31 December

All amounts in DKK.

Note	*Assets*	2021	2020
	Non-current assets		
	Investments in subsidiaries	5.464.296	5.464.296
	Other financial investments	3.811	3.811
	Total investments	5.468.107	5.468.107
	Total non-current assets	**5.468.107**	**5.468.107**
	Current assets		
	Trade receivables	7.164.709	11.945.298
	Contract work in progress	3.676.410	1.688.510
	Receivables from subsidiaries	0	99.793
	Income tax receivables	35	0
	Other receivables	710.241	160.952
	Prepayments	3.178.110	2.366.148
	Total receivables	14.729.505	16.260.701
	Other financial investments	9.036	8.052
	Total investments	9.036	8.052
	Cash and cash equivalents	1.039.927	46.473
	Total current assets	**15.778.468**	**16.315.226**
	Total assets	**21.246.575**	**21.783.333**

Balance sheet at 31 December

All amounts in DKK.

Note	***Equity and liabilities***	2021	2020
	Equity		
	Contributed capital	187.500	187.500
	Retained earnings	-1.559.523	-2.541.827
	Total equity	**-1.372.023**	**-2.354.327**
	Long term labilities other than provisions		
	Other payables	213.838	1.153.853
	Payables to shareholders and management	1.755.340	878.156
5	*Total long term liabilities other than provisions*	1.969.178	2.032.009
5	*Current portion of long term liabilities*	0	185.499
	Bank loans	7.074.592	4.783.600
	Prepayments received from customers	8.030.955	1.938.646
	Trade payables	4.808.304	11.724.359
	Payables to subsidiaries	39.501	876.451
	Other payables	696.068	2.597.096
	Total short term liabilities other than provisions	20.649.420	22.105.651
	Total liabilities other than provisions	**22.618.598**	**24.137.660**
	Total equity and liabilities	**21.246.575**	**21.783.333**

1 ***Uncertainties concerning recognition and measurement***

2 ***Financial matters***

6 ***Disclosures on fair value***

7 ***Charges and security***

8 ***Contingencies***

Statement of changes in equity

All amounts in DKK.

	Contributed capital	*Retained earnings*	*Total*
Equity 1 January 2021	187.500	-2.541.827	-2.354.327
Retained earnings for the year	0	982.304	982.304
	187.500	**-1.559.523**	**-1.372.023**

All amounts in DKK.

	1/1 - 31/12 2021	1/5 - 31/12 2020

1. ***Uncertainties concerning recognition and measurement***

The calculation of the carrying amount of certain assets and liabilities requires an estimate of how future events will affect the value of these assets and liabilities at the balance sheet date.

The estimates used are based on assumptions that management assesses are justifiable, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. In addition, the company is subject to risks and uncertainties, which may lead to actual results deviating from these estimates.

Estimates that are particularly significant for the account loader are primarily associated with the recognition of construction contracts and the risks involved in the execution and measurement of these. This involves measuring the sales value of ongoing construction contracts, calculating guarantee obligations and loss-making contracts, as well as assessing the outcome of disputes.

2. ***Financial matters***

For a number of years, the company has been tight-lipped for purely liquidity. However, tight liquidity management in recent years has resulted in a positive development. This development has also continued in this financial year. The company works continuously on the basis of detailed budgets which are used as a basis for decision-making, as additional construction contracts are initiated before the financing of these is in place in advance. Budgets for 2022 look really positive, and as the bank wants to continue the commitment with the current credits and guarantees until at least 31 December 2022, the accounts have been closed on the condition of continued operation.

		1/1 - 31/12 2021	1/5 - 31/12 2020
3.	***Staff costs***		
	Salaries and wages	1.979.206	1.299.526
	Other costs for social security	33.381	7.853
		2.012.587	**1.307.379**
	Average number of employees	3	3
4.	***Other financial expenses***		
	Financial costs, group enterprises	8.139	0
	Other financial costs	1.121.114	706.091
		1.129.253	**706.091**

All amounts in DKK.

	1/1 - 31/12 2021	1/5 - 31/12 2020

5. ***Long term labilities other than provisions***

	Total payables 31 Dec 2021	*Current portion of long term payables*	*Long term payables 31 Dec 2021*	*Outstanding payables after 5 years*
Other payables	213.838	0	213.838	0
Payables to shareholders and management	1.755.340	0	1.755.340	0
	1.969.178	**0**	**1.969.178**	**0**

6. ***Disclosures on fair value***

	Listed shares
Fair value at 31 December 2021	9.036
Change in fair value of the year recognised in the statement of financial activity	984

7. Charges and security

As security for all balances with credit institutions, a nominal amount of DKK thousand 5,000, with security in simple receivables from the sale of goods and services, stocks of raw materials, semi-finished and finished goods as well as consumables and other consumables. The carrying amount of the pledged assets is estimated to be DKK thousand 7,165 pr. status day.

For construction contracts, the usual security has been provided in the form of bank guarantees. The company actually has a guarantee limit of DKK thousand 4,250, which is used for guarantees relating to tender guarantees, contracts in progress, prepayments and completed contracts. On the balance sheet date, the company has utilized the guarantee framework with a total of DKK thousand 2,079.

8. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into a lease agreement which can be terminated with a notice of 3 months. Rent during the non-cancellation period therefore amounts to 3 months' rent corresponding to DKK thousand 40.