Annual report

REFRESH AND DELIGHT

CO-RO Holding A/S
CVR no. 14 79 06 08
Holmensvej 11
DK-3600 Frederikssund

Chair of the meeting,
17 May 2023

REFRESH AND DELIGHT

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MANAGEMENT REVIEW

Letter from the CEO

2022 marked CO-RO's 80th anniversary. Throughout the year, our great employees and partners celebrated our long and proud heritage of refreshing and delighting consumers around the globe.

Operationally, our business momentum continued throughout the year. We executed our "Balanced Growth" strategy, delivered solid sales growth, and strengthened our organization and market positions.

2022 in summary:

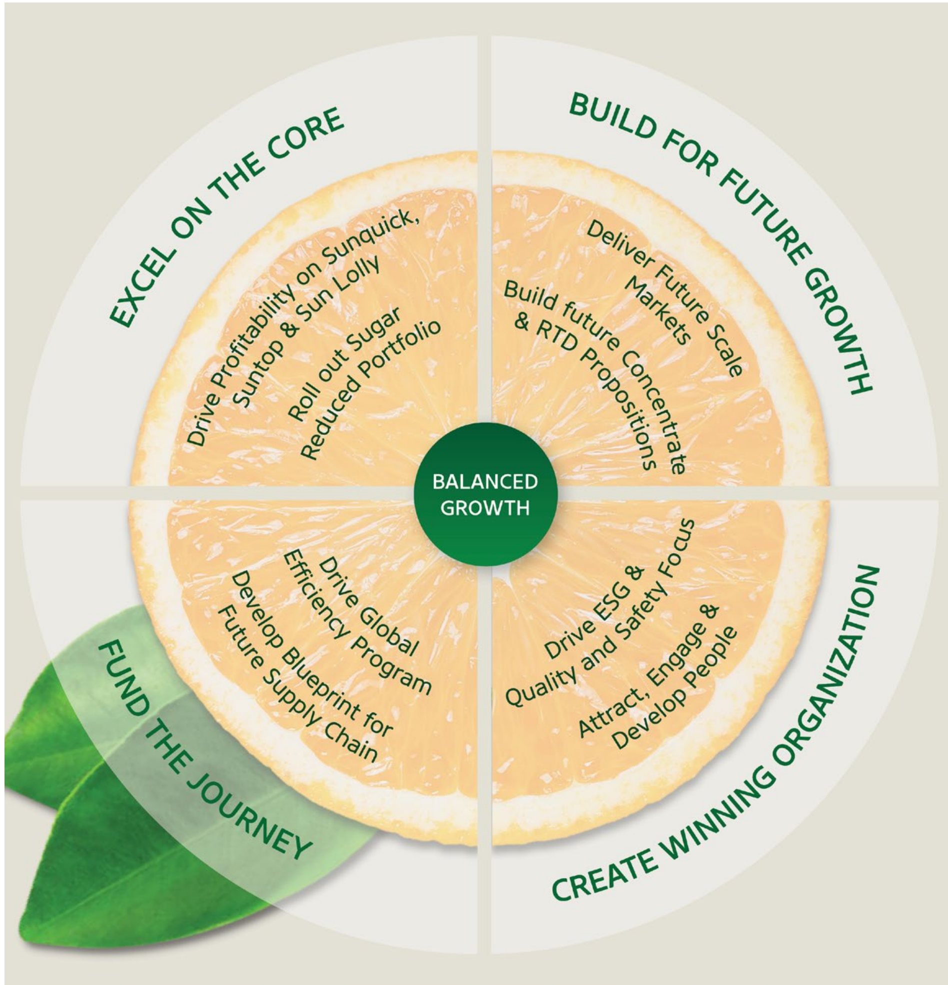
- **Double digit revenue growth (+12,3%)** driven by good performance in our core Middle East and Africa region and growth in Asia.
- **Record sales** of our biggest brand, Sunquick, and **market share growth** of Suntop in the Middle East markets.
- **Best ever results** on employee satisfaction, innovation sales and efficiency savings.
- **Step-up on our ESG agenda**, including mapping of global CO_2 emissions.
- **Positive, but lower Ebit margin (down by 1.6%pp)** due to increase in input costs, higher investments in innovation and in our new business in Egypt.
- Significant **loss on financial items** due to negative return on securities and currency devaluation in several markets.

Coping with inflation and fluctuations in financial markets

Like most other companies, we faced steep rises in input and utility costs, especially in Europe after the pointless war in Ukraine. Our great employees and partners acted fast to increase sales prices and implement cost efficiency initiatives. However, the impact comes with some delay and although we managed to reduce the gap between cost inflation and price increases during Q3 and Q4, it was not enough to fully offset the cost increases within 2022.

Our large portfolio of securities (blue-chip bonds and shares) provides CO-RO with strong financial independency, but the downturn in the global financial markets

THE ORANGE
Balanced Growth 2023-24



in 2022 unfortunately led to a significant loss on securities. In addition, several of our subsidiaries in developing markets were in 2022 impacted by currency devaluations. In combination, the impact from securities and devaluations resulted in losses on financial items of 126 mDKK.

Despite the negative financial result, I am proud of how our dedicated and hard-working organization has coped with the challenges and ensured our business, people and brands are in good shape for the years to come.

2023 – positive momentum, but continued high volatility
We are entering 2023 with strong in-market momentum. We expect good sales growth in all 3 regions, mainly driven by price increases and new innovations. However, the volatile environment will continue to impact our business and operations.

With this in mind, we updated our "Balanced Growth" strategy for 2023/24, with increased focus on winning in core markets, building 1-2 new scale markets, and accelerating our initiatives within sugar reduction, efficiencies, and sustainability.

In 2023 we look forward to going live with our brand-new factory in Bangladesh and launching Sunquick in this high growth market. In Denmark, we will initiate the exciting process of building a new, best-in-class and CO_2 neutral compound factory.

Reminiscing on CO-RO's 80-year long history, I would like to extend a warm thank you to our employees, customers, and our valued partners for their relentless efforts to overcome the many macro challenges and help deliver continued business growth.

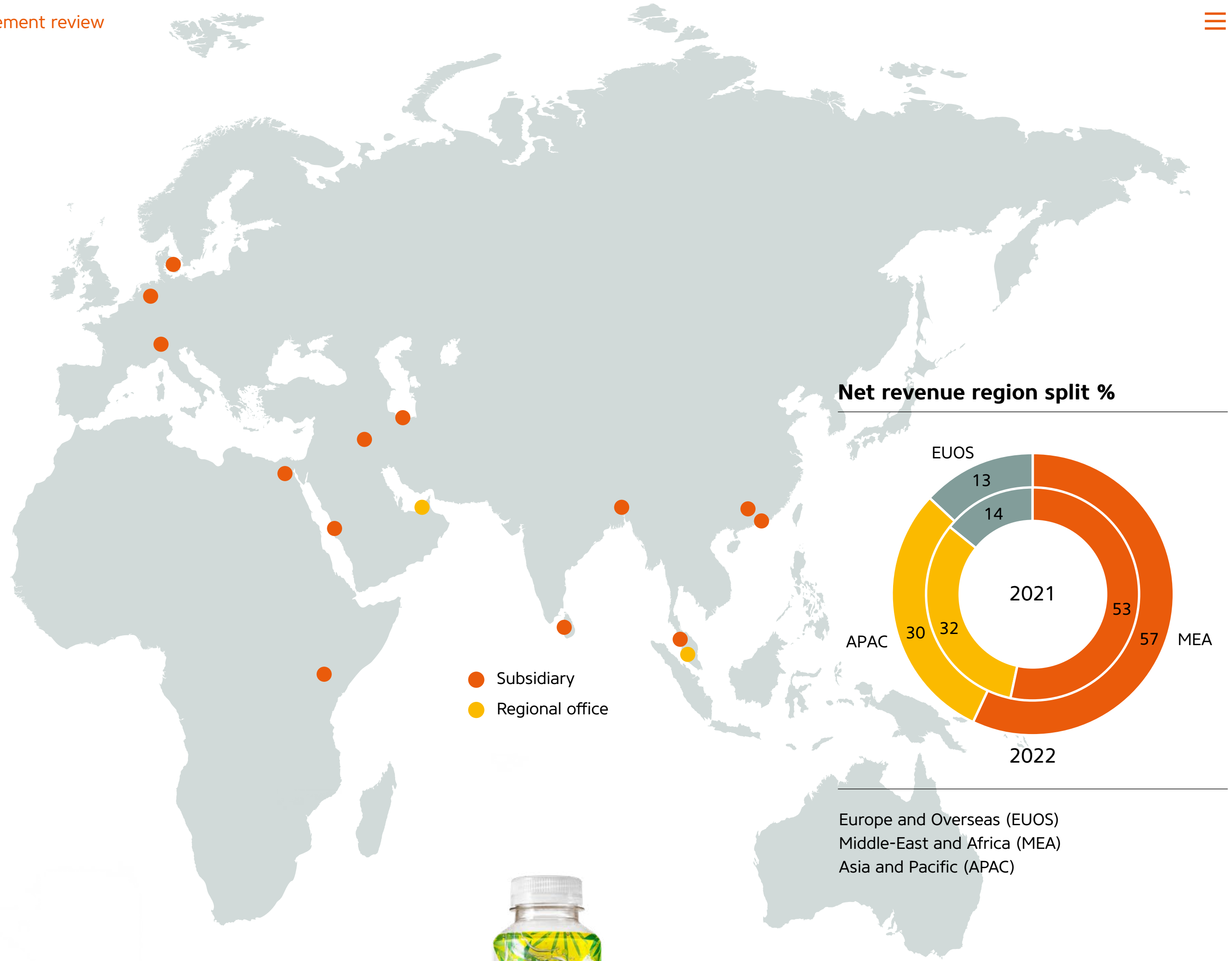
Søren Holm Jensen
President & CEO

CO-RO Group in brief

The CO-RO Group manufactures, markets and sells still-drinks, concentrates, and home-freeze ice lollies.

Our 1200 dedicated employees worldwide work daily to bring our products to consumers around the globe, creating more than 10 million smiles every day.

Our purpose is to refresh and delight – bringing the ”wow” to consumers through great tastes and amazing experiences, and we do that through our great brands Sunquick, Suntop, Sunlolly & MashUp.



Europe and Overseas (EUOS)
Middle-East and Africa (MEA)
Asia and Pacific (APAC)

Highlights 2022

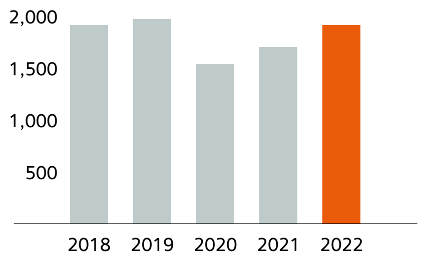
PRINCIPAL AND KEY FIGURES

(mDKK)	2022	2021	2020	2019	2018
Profit and loss statement					
Revenue	1,915	1,706	1,539	1,971	1,914
Gross profit	520	507	443	693	641
EBITDA [1]	151	174	120	281	261
EBIT	11	38	-24	158	150
Net financials	-126	17	-1	46	-12
Profit for the year	-111	26	-44	160	100
Balance sheet					
Balance sheet total	2,663	2,803	2,672	2,814	2,590
Investments in tangible fixed assets	91	103	111	117	181
Equity capital	2,065	2,192	2,161	2,272	2,119
Cash flow					
Operating activities	23	59	147	333	175
Investing activities	-190	-109	-82	-140	-228
Free cash flow	-168	-50	65	193	-53
Employees					
Average number of full-time employees	1,143	1,157	1,228	1,242	1,280
Key figures (%) [1]					
Return on assets	0,4	1,4	-0,9	5,8	6
Return on equity capital	-6,0	1,4	-1,8	6,3	3,7
Solvency ratio	68,3	68,4	69,6	68,9	69,9

[1] For EBITDA and key figure definitions see the section on applied accounting practice.

1,915

Revenue
mDKK



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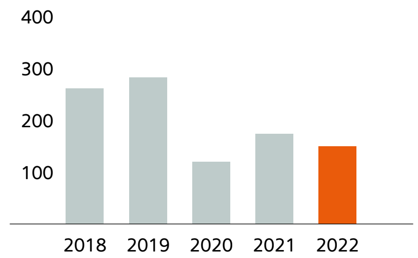
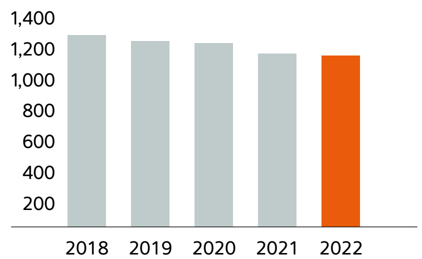
EBITDA
mDKK



68,3% Solvency ratio

1,143

Average number of full-time employees



Management review

DEVELOPMENT IN FINANCIAL YEAR 2022

As 2022 unfolded, it became clear that it would become a year anything but normal. The terrible situation in Ukraine have touched all of us, with its personal tragedies and devastating consequences. Ripple effects can be felt throughout the globe, and we have seen energy- and raw materials prices soaring through the roof whilst supply chains continued to be disrupted all over the world. On top of that, Covid have continued to play its role in many of our Asian markets.

The ever-strong commitment from our employees and partners around the world coupled with the impact of the above-mentioned elements, have led to a financial result in 2022 where our strong brands and products have secured a 12.3% increase in revenue (in reported currencies) or 1,915 mDKK.

Production cost rose significantly compared to last year as a consequence of high prices on commodities and unexpected high inflation. Distribution cost and Administration cost were equally impacted by high inflation, high freight cost etc., but with our strong efficiency agenda and strong cost control we managed to secure a spending in percentage of revenue slightly lower than last year. The time gap between the rising input cost and increases in sales prices led to a decline in EBITDA of 22.9 mDKK thus ending at 151.1 mDKK.

We continued to invest in capabilities, systems and machinery, albeit at a slightly more prudent level than last year. Earnings before Interest and Tax (EBIT) amounted to 11.3 mDKK for the full year.

+12% growth

in Group Revenue

Net Financials showed a significant increase in expenses, leading to -126.4 mDKK in 2022 against last year's income of 17.4 mDKK. CO-RO have over the years accumulated significant free cash flow, which is kept in the company boosting our solvency rate and providing a solid platform for future investments. The funds are invested through asset management mandates in blue-chip banks. Unfortunately, 2022 was a terrible year for the financial markets, hence leading to a very poor return on our securities of -94.9 mDKK. In addition, our global footprint in fragile markets exposes CO-RO to currency fluctuations. In 2022 we saw significant devaluation of several of our trading currencies, the Egyptian Pound and Sri Lankan Rupee in particular. The operational result combined with the poor financial items led a net profit for 2022 of -111.4 mDKK.

3.4%-points reduction

in trade NWC

We are proud of the strong progress in most markets with market-share gains in such volatile times, leading to a revenue in line with expectations, as well as the good progress in projects and initiatives, but the dire circumstances and delay in passing on the high input prices, lead to an EBIT for 2022 which was below management's expectations.

Balance sheet, Investments & Cash Flows

CO-RO Group total assets at 31 December 2022 amounted to 2,663 mDKK against 2,803 mDKK at 31 December 2021.

Investments were slightly lower than last year as management decided to take a more prudent approach given the volatile circumstances. We finished our production facility in Bangladesh and established Ready-To-Drink production capabilities in Malaysia, while at the same time continuing to invest in general maintenance and improvements in all our plants. All investments made in 2022 were funded internally.

Trade Working Capital declined slightly in nominal terms despite the increased activity and ended at 500 mDKK or 26.1% of revenue (down 3.4 %-points from last year). The high commodity prices as well as mitigating actions taken to avoid out-of-stock situations from disrupted supply chains have increased our inventory in 2022, but tighter cash-management controls have let to lower receivables offsetting the increase.

Consolidated net cash flows ended at -170 mDKK in 2022 compared to -66 mDKK in 2021. Cash flows from operating activities decreased by 36.3 mDKK mainly from the lower profit as a result of the high input cost. Investments were slightly lower level than last year, but the loss on securities from the collapse on the financial markets, led to the very poor net cash flow for the full year. Group solvency rate remains high at 68.3% vs 68.4% last year.

Development activities

Development costs for improving and expanding the product portfolio are incurred throughout the year. Activities include developing new products in our various categories as well as refining existing products and concepts. All development costs were expensed as they do not meet the criteria for capitalization.

Developments in the parent company

The parent company incurred a net loss after tax of 103.5 mDKK – below Management's expectations but affected by the same events as impacted group numbers.

No facts or events occurred in the parent company during the financial year which are not reflected in the management report for the Group.

2023 OUTLOOK

Strong focus on value management in all our markets will be top of the agenda for 2023, to continue the journey towards better profitability and sustaining a balanced portfolio of markets. With continued high macro- and geopolitical uncertainty, management expect a tough year with high inflation, disrupted supply chains and continued high commodity prices.

Our strong brands and committed employees as well as partnerships across the globe will enable us to continue our balanced growth strategy, while at the same time navigate the uncertainty and volatility in our markets.

For 2023, we expect a revenue growth of 5-10% in comparable FX-rates. EBIT is expected to be at the same level as 2021, so higher than 2022, but still on the low side compared to previous years due to the prevailing circumstances. Similar developments are expected for the parent company.

Events after the end of the financial year

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

RISKS

General risks

CO-RO uses raw materials that are subject to significant price fluctuations. This is a risk factor since there may be a time lag between the time when price fluctuations take place and the date when the changes can be passed on to prices of finished products in the market.

+90 mDKK

invested in 2022

Several of the Group's main markets are in the Middle East, a region often experiencing relatively high levels of geopolitical instability. Furthermore, legislative changes on sugar content are increasingly seen across our markets. The Group is aware of these risks and has taken corrective measures but may nevertheless be affected.

Financial risks
The Group's activities mean that the financial results, cash flows and equity capital are affected by the exchange rate and interest rate trends of several currencies. Transactions are mainly in EUR, USD, SAR, CNY, EGP and MYR. It is company policy not to hedge against currency risks. Exchange rate risks related to investments in affiliated enterprises abroad are not hedged.

Warfare risks
The conflict in Ukraine is not expected to have a direct impact on CO-RO's business, but the ripple effects on the financial sector, disruption in the global supply chains as well as possible lack of availability in gas supplies, are monitored closely.

POLICY FOR DATA ETHICS

In CO-RO, Data Ethics is about more than compliance with GDPR and other relevant legislation – it's about making sure that our employees, consumers, customers and stakeholders are treated fair and equal. We care for the individual right to personal data privacy and have through internal e-learning classes as well as updated security systems ensured that all employees understand their responsibility and what to do in case of a breach. We encourage our employees to see errors and problems with a positive mindset and as an opportunity to better our internal processes.

During the course of running our day-to-day business, CO-RO gathers information on value chain analysis, profitability measures, productivity and efficiency targets as well as several other types of information connected to our primary area of business. Machine learning tools are used in our production as well as administration to heighten internal job-satisfaction as well as create transparency in our decision-making.

CO-RO's company purpose is to REFRESH AND DELIGHT through great tasting products and amazing brand experiences. To be as relevant as possible to our consumers enabling us to deliver on our purpose, CO-RO frequently purchases and/or collects and uses consumer-, shopper-, brand- and market specific data, but always with the aim of improving our customer service.

Once every quarter, CO-RO conducts a fully confidential staff engagement survey using an external third-party software. We use these data to improve our working environment whether that being physical or emotional as well as prioritize our efforts in health and safety measures.

CO-RO will only deliver sensitive information about our employees if directed so by authorities through local legislation, court-rulings or where a state of emergency entails us to do so. CO-RO does not sell or distribute in any shape, way or form classified or sensitive personal information to third parties. We also do not gather such information from our customers or stakeholders.

Gave joy to more than 100.000 guest

Donation to Cirkus Summarum
6th year in row

To facilitate an open discussion on the use of data and our policy for Data Ethics, CO-RO have created a Steering Group incl. top-level management, where IT projects incl. useability, reach and content are being evaluated and prioritized regularly.

KNOWLEDGE RESOURCES

CO-RO employs many employees with specialist knowledge in the development, production and distribution of the Group's products, who are essential for its ability to maintain its market position. Through targeted recruitment, training and instruction of CO-RO employees, the Group spends considerable resources to attract, retain and develop competent employees.

CSR & SUSTAINABILITY

CO-RO has published a CSR report for 2022 in accordance with §99a and §99b of the Danish Financial Statements Act. The report and the Group's Code of Conduct are available from the Group's website at this address:

www.co-ro.com/responsibility

FINANCIAL STATEMENTS

Statement by management

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of CO-RO HOLDING A/S for the financial year 1 January – 31 December 2022.

The annual report has been prepared in accordance with 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 financial position of the Group and the Parent Company at 31 December 2022 and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters and the results of the Group's and the Parent Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Frederikssund, 17 May 2023

Executive Board

Søren Holm Jensen

Board of Directors

Michael Ring (Chairman)	Jens Albert Harsaae (Vice chairman)	Torsten Steenholt Christensen
Per Falholt	Lars Vestergaard	

Independent auditor's report

To the shareholders of CO-RO HOLDING A/S

Opinion
We have audited the consolidated financial statements and the parent company financial statements of CO-RO HOLDING A/S for the financial year 1 January – 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with 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 financial position of the Group and the Parent Company at 31 December 2022 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
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.

Management's responsibilities for 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 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 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 financial statements unless Management either intends to liquidate the Group or the Parent 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 as to 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 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 the financial statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent 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 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 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 Parent Company to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 the Management's review
Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 17 May 2023

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jan C. Olsen
State Authorised Public Accountant
mne33717

Peter Andersen
State Authorised Public Accountant
mne34313

The profit and loss statement
for 1 January to 31 December

		Parent company		Group	
(tDKK)	Note	2022	2021	2022	2021
Revenue	2	**0**	**0**	**1,915,143**	**1,705,740**
Production costs	3	0	0	-1,394,889	-1,199,106
Gross profit		**0**	**0**	**520,254**	**506,634**
Distribution costs	3	0	0	-354,402	-327,646
Administrative costs	3	-74	-36	-162,083	-142,447
Profit of primary operation		**-74**	**-36**	**3,769**	**36,541**
Other operating income	4	0	0	7,526	1,931
Other operating costs	5	0	0	0	0
Profit before financial items	6	**-74**	**-36**	**11,294**	**38,472**
Income from equity investments in Group companies	7	-38,527	15,644	0	0
Financial income	8	15,417	23,670	44,917	37,962
Financial expenses	9	-98,869	-452	-171,270	-20,516
Profit before tax		**-122,053**	**38,826**	**-115,059**	**55,918**
Tax on ordinary profit	10	18,518	-5,100	3,659	-29,651
Profit for the year		**-103,535**	**33,726**	**-111,400**	**26,267**
The profit of the group is distributed as follows:					
Shareholders in CO-RO Holding A/S				-103,535	33,726
Minority interests				-7,865	-7,459
Profit for the year				**-111,400**	**26,267**

Balance sheet of 31 December

Assets

		Parent company		Group	
(tDKK)	**Note**	**2022**	**2021**	**2022**	**2021**
Development projects		0	0	36,232	47,022
Goodwill		0	0	43,478	51,060
Intangible assets	11	**0**	**0**	**79,710**	**98,082**
Land and buildings		0	0	385,590	393,912
Production facility and machinery		0	0	260,702	328,937
Other facilities, operating equipment and equipment		0	0	32,645	35,706
Tangible fixed assets under construction and advance payments for tangible fixed assets		0	0	138,902	111,977
Tangible assets	12	**0**	**0**	**817,839**	**870,532**
Investments in Group companies		947,428	980,329	0	0
Other assets		0	0	10,224	17,505
Financial fixed assets	13	**947,428**	**980,329**	**10,224**	**17,505**
Non-current assets		**947,428**	**980,329**	**907,773**	**986,119**
Raw materials and consumables		0	0	252,777	192,040
Work in progress		0	0	45,756	56,324
Finished goods and commercial goods		0	0	116,010	96,211
Advance payment for goods		0	0	17,422	20,180
Inventories		**0**	**0**	**431,965**	**364,755**
Receivables from sales and services		0	0	229,954	304,815
Receivables with Group companies		115,393	36,259	0	0
Company tax		4,877	3,493	19,371	19,406
Deferred tax asset	19	18,380	0	41,922	29,837
Other amounts receivable		0	0	120,185	59,533
Accruals and deferred expenses	14	0	0	5,773	7,265
Receivables		**138,650**	**39,752**	**417,205**	**420,856**
Securities		**730,631**	**890,046**	**730,631**	**890,046**
Cash and cash equivalents	26	**3,812**	**9,683**	**175,237**	**141,053**
Current assets		**873,094**	**939,481**	**1,755,038**	**1,816,710**
Assets		**1,820,522**	**1,919,810**	**2,662,811**	**2,802,829**

Balance sheet of 31 December

Liabilities

(tDKK)	Note	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Share capital		50,000	50,000	50,000	50,000
Reserve for net revaluation in accordance with the equity method		874,497	907,398	0	0
Reserve for employee benefits		0	0	-927	-1,875
Currency translation reserve		0	0	-8,076	-12,755
Transferred profit		893,373	958,382	1,776,874	1,880,410
Shareholders in CO-RO Holding A/S' share of the equity		**1,817,870**	**1,915,780**	**1,817,870**	**1,915,780**
Minority interests	17	0	0	247,527	276,670
Equity capital total	15	**1,817,870**	**1,915,780**	**2,065,397**	**2,192,450**
Provision for pensions and similar	18	0	0	24,766	25,008
Provision for deferred tax	19	0	0	22,283	22,813
Other Credit institutions		0	0	47,639	35,242
Non-current liabilities		**0**	**0**	**94,688**	**83,063**
Prepayments received from customers		0	0	5,701	16,316
Other Credit institutions		0	0	111,027	71,180
Suppliers of goods and services		0	0	165,387	167,406
Debts to Group companies		2,612	4,006	0	0
Company tax		0	0	0	20,862
Other debts		39	25	220,611	251,552
Current liabilities		**2,651**	**4,031**	**502,726**	**527,316**
Liabilities total		**2,651**	**4,031**	**597,414**	**610,379**
Equity and liabilities		**1,820,522**	**1,919,810**	**2,662,811**	**2,802,829**

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Statement of changes in equity
of 31 December

Group

(tDKK)	Share capital	Transferred profit incl, Revaluation reserves	Reserve employee benefits	Currency translation reserve	In all	Minority interests	Equity capital in total
Equity at 1/1 2021	**50,000**	**1,846,684**	**0**	**-36,484**	**1,860,200**	**300,910**	**2,161,110**
New entries and disposals	0	0	0	0	0	205	205
Rate Adjustment etc,, for Group companies	0	0	0	23,729	23,729	24,751	48,480
Allocation of the profit	0	33,726	0	0	33,726	-7,459	26,267
Actuarial gain or loss, employee benefits (after tax)	0	0	-1,875	0	-1,875	0	-1,875
Dividend paid	0	0	0	0	0	-41,737	-41,737
Equity at 1/1 2022	**50,000**	**1,880,410**	**-1,875**	**-12,755**	**1,915,780**	**276,670**	**2,192,450**
New entries and disposals	0	0	0	0	0	27,776	27,776
Rate Adjustment etc,, for Group companies	0	0	0	4,679	4,679	-7,067	-2,388
Allocation of the profit	0	-103,535	0	0	-103,535	-7,865	-111,400
Actuarial gain or loss, employee benefits (after tax)	0	0	948	0	948	948	948
Dividend paid	0	0	0	0	0	-42,935	-42,935
Equity at 31/12 2022	**50,000**	**1,776,874**	**-927**	**-8,076**	**1,817,870**	**247,527**	**2,065,397**

Statement of changes in equity
of 31 December

Parent company

(tDKK)	Share capital	Reserve for net revaluation in accordance with the equity method	Transferred profit	In all
Equity at 1/1 2021	**50,000**	**869,900**	**940,300**	**1,860,200**
Rate Adjustment etc,, for Group companies	0	23,729	0	23,729
Actuarial gain or loss, employee benefits (after tax)	0	-1,875	0	-1,875
Allocation of the profit	0	15,644	18,082	33,726
Equity at 1/1 2022	**50,000**	**907,398**	**958,382**	**1,915,780**
Rate Adjustment etc,, for Group companies	0	4,679	0	4,679
Actuarial gain/loss, employee benefits (after tax)	0	948	0	948
Allocation of the profit	0	-38,527	-65,009	-103,535
Equity at 31/12 2022	**50,000**	**874,497**	**893,373**	**1,817,870**

Cash flow statement
for the Group of 1 January to 31 December

(tDKK)	Note	2022	2021
Profit before net financials		11,294	38,473
Amortisation/depreciation charges		131,554	138,922
Other adjustments of non-cash operating items [1]		5,824	-6,653
Cash generated from operations before changes in working capital		**148,672**	**170,742**
Changes in working capital	24	-117,236	-101,056
Cash generated from operations		**31,436**	**69,686**
Financial income		43,765	25,290
Financial expenses		-48,112	-17,655
Income tax paid		-4,368	-28,633
Cash flows from operating activities		**22,721**	**48,688**
Acquisition of intangible assets		-4,208	-7,755
Acquisition of property, plant and equipment		-91,401	-102,549
Disposal of property, plant and equipment		331	631
Losses on securities		-94,964	0
Gains on securities		0	10,099
Cash flows from investing activities		**-190,242**	**-99,574**
Acquisition of subsidiaries and capital injection	25	27,776	205
Proceeds of debt related to non-current liabilities		12,397	26,913
Dividend distribution		-42,935	-41,737
Cash flows from financing activities		**-2,762**	**-14,619**
Net cash flows in total		**-170,283**	**-65,505**
Cash and cash equivalents, beginning of year		959,919	1,018,068
Exchange rates cash and cash equivalents, beginning of year		5,205	7,356
Cash and cash equivalents net, year-end	26	**794,841**	**959,919**

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

[1] Consist of accruals for terminal employee benefits and other accruals

Notes

1 Accounting policies

The annual report of CO-RO Holding A/S for 2022 has been presented in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The financial statements have been prepared in accordance wit the same accounting policies as last year.

General about recognition and measurement
Income is recognized in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortization, depreciation and impairment losses, are recognized in the income statement when the amounts related to the financial year.

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

Liabilities are recognized in the balance sheet when the company as a result of a past event has a legal or actual obligation, and it is likely that future economic benefits will flow out of the 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.

In respect to recognition and measurement, consideration are given to predictable risks and losses that occur before the Financial Statements are presented, and which confirm or refute conditions that existed on the balance sheet date.

Consolidated Financial Statements
The consolidated financial statements comprise CO-RO HOLDING A/S (the parent company) and subsidiaries controlled by CO-RO HOLDING A/S. Control means the power to exercise decisive influence over a subsidiary’s financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing if the Parent Company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity may become empowered to exercise decisive influence over another entity’s financial and operating decisions.

Consolidation principles
The consolidated financial statements have been prepared as a consolidation of the Parent Company’s and the individual subsidiaries’ financial statements, which are prepared according to the Group’s accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realized and unrealized gains on intra-group transactions are eliminated.

The proportionate share of results of joint ventures after tax is recognized in the consolidated income statement, after elimination of the proportionate share of unrealized intra-group profit or loss.

In the consolidated financial statements, the items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the Group's profit/loss and equity, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognized directly in equity as a transaction between shareholders.

Foreign currency translation
Transactions in foreign currency are converted at first recognition at the exchange rate of the transaction day. Currency exchange rate differences that arise between the rate on the transaction day and the rate on the day of payment, shall be included in the profit and loss account as a financial item.

Outstanding amounts, debt and other monetary items in foreign currency shall be converted to the currency rate on balance day. The difference between the balance sheet date's rate and the rate at the time of the creation of the outstanding amount or debt obligation or their inclusion in the latest annual accounts are included in the profit and loss account under financial income and costs.

Foreign subsidiaries are considered to be independent units. The profit and loss statements shall be converted into an average exchange rate for the month, and the balance sheet items shall be converted into the currency rates of the balance day. Exchange rate differences that have arisen through the conversion of equity capital of foreign subsidiaries at the beginning of the year to the currency rates of the balance day and by the conversion of average rates to the currency rates of the balance day are included directly into the equity capital.

Currency rate adjustment of outstanding accounts with independent foreign subsidiary companies that are considered part of the total investment in the subsidiary company, are included directly in the equity capital. Equivalently, exchange rate gains and losses on loans and derived financial instruments that have been concluded in order to hedge foreign subsidiary companies, are included directly in the equity capital.

Notes

1 Accounting policies (continued)

In the case of recognition of foreign subsidiaries that are integrated units, monetary items are converted at the exchange rate on the balance day. Non-monetary items are converted at the exchange rate at the time of purchase, or at the time of the subsequent appreciation or depreciation of the asset. Items on the profit and loss account are converted at the transaction day rate, since items derived from non-monetary items are however converted at historic rates for the non-monetary item.

Business combinations
Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities.

The date of acquisition is the date when the Group actually obtains control of the acquiree.

The purchase method is applied to acquisitions of new businesses over which the Group obtains control. The acquired businesses' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities in the group are recognised in the income statement in the year in which they are incurred.

If uncertainties regarding the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the purchase consideration exist at the acquisition date, initial recognition will take place on the basis of provisional values. If it turns out subsequently that the identification or measurement of the purchase consideration, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Subsequently, any adjustments are recognised as errors.

Gains or losses from divestment or winding-up of subsidiaries which imply that control is no longer maintained are calculated as the difference between, on the one hand, the selling price less selling expenses and, on the other hand, the proportionate share of the carrying amount of net assets. If the entity still holds equity investments in the divested entity, the remaining proportionate share of the carrying amount forms the basis for the measurement of equity investments in Groups or securities and equity investments.

Non-controlling interests
On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' ownership share or at the non-controlling interests' proportionate share of the fair value of the acquired entity's identifiable assets, liabilities and contingent liabilities.

Intra-group business combinations
The book value method is applied to business combinations such as acquisition and disposal of equity investments, mergers, demergers, additions of assets and share conversions, etc. in which entities controlled by the parent company are involved, provided that the combination is considered completed at the time of acquisition without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are taken directly to equity.

The profit and loss statement

Revenue
The company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Notes

1 Accounting policies (continued)

Revenue from the sale of goods and finished goods is recognized in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. Revenue is measured net of all types of discounts/rebates, VAT and other indirect taxes in connection with the sale, and are measured at the current value of the remuneration.

Production costs
Production costs include direct and indirect costs borne to achieve the revenue. In the production costs are included costs of raw materials, consumables, production personnel, indirect production costs and depreciation on production facilities.

Distribution costs
Distribution costs include costs incurred for the distribution of sold products and for sales campaigns, including costs for sales and distribution staff, advertising costs and depreciation.

Administration costs
Administration costs include costs incurred for the management and administration of the company, including costs for the administrative staff and management, as well as office costs and depreciation.

Other operating income and operating costs
Other operating income and operating costs include revenue and costs of a secondary nature in relation to the company's main activities, including public subsidies, rent and licensing income etc. as well as the profit or loss incurred by the sale of fixed assets.

Income from equity investments in Group companies
Income from equity investments in Group companies are included and measured according to the equity method, which implies that the capital shares are measured as the proportional share of the companies' internal accountable value.

In the profit and loss account, the company's share of the profit of the companies is included after elimination of internal profits.

Net revaluation of investments in Group companies is transferred in connection with the allocation of the results to reserve for net revaluation by the equity method under the equity capital.

Special Items
Special items are presented in a separate note. Special items include significant income and expenses not directly attributable to the Group's recurring operating activities such as restructuring cost. In addition, other non-recurring amounts are classified as special items including impairment of goodwill; significant impairments of non-current tangible assets; gains and losses on the disposal of activities; and significant gains and losses on the disposal of non-current assets.

Financial income and expenses
Financial income and expenses comprise interest income and expenses, realised and unrealised capital gains and losses on securities, payables and transactions denominated in foreign currencies as well as surcharge and refunds under the on-account tax scheme, etc.

Tax for the year
CO-RO Holding A/S is subject to the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The Parent Company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge 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 the tax losses to reduce their own taxable income.

The tax expense for the year, which comprises the year's current tax charge, joint taxation contributions and changes in the deferred tax charge – including changes arising from changes in tax rates – is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

The balance sheet

Intangible assets

Goodwill
Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10 years. The amortisation period is fixed on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market positions and long-term earnings profiles.

Notes

1 Accounting policies (continued)

Development projects
Development projects and other acquired intangible rights, including software licenses, are measured at cost less accumulated amortization and impairment losses.

Development projects that are clearly defined and identifiable are recognized as intangible assets if it is probable that it will generate future financial benefits for the Company, and the development costs of each asset can be measured reliably. Other development costs are recognized as costs in the income statement as incurred.

On initial recognition, development costs are measured at cost. The cost of development projects comprises costs such as salaries and other costs that are directly attributable to the development projects and are needed to complete the project, calculated from the time at which the development project first meets the specific criteria for being recognized as an asset. Completed development projects are amortized on a straight-line basis using the estimated useful lives of the assets. The amortization period is usually 3-7 years and cannot exceed 10 years.

Development projects and other intangible assets are written down to their recoverable amounts. Development projects in progress are tested at least once a year for impairment.

Tangible fixed assets
Land and buildings, production facilities and machinery and other facilities, operating equipment and equipment is measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

	Expected service life	Scrap value
Buildings	10-40 years	DKK 0
Production plants and machinery	3-10 years	DKK 0
Other installations, operating equipment and inventory	3-10 years	DKK 0
Dispencers	5 years	DKK 0

The basis of depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of items of tangible assets are calculated as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Impairment
The carrying amount of intangible assets, property, plant and equipment and equity investments in subsidiaries and associates is tested annually for indication of impairment.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the net present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Leases
Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The company's total liabilities relating to operating leases and other leases are disclosed in contingencies, etc.

Investments in subsidiaries
Investments in subsidiaries are measured according to the equity method in the parent company financial statements. This implies that the equity ratios are measured at the proportionate share of the accounting equity value of the companies with the addition or deduction of unamortised positive and negative goodwill, respectively, with deduction or addition of unrealised intra-group profits and losses.

Notes

1 Accounting policies (continued)

In the profit and loss statement, the company's share of the company's profit is included after elimination of unrealised intra-group profits and with the deduction or addition of depreciation of goodwill and negative goodwill, respectively.

Subsidiaries with negative accounting equity value are measured at zero, and any receivables from these companies are written down by the company's share of the negative equity value to the extent that it is assessed irrecoverable. If the accounting negative equity value exceeds the receivable, the remaining amount is included under provisions to the extent that the company has a legal or actual obligation to cover the liabilities of the company in question.

Net revaluation of investments in subsidiaries are transferred in connection with the allocation of results for reserves for net revaluation using the equity method under equity.

Impairment subsidiaries

Impairment tests are conducted on intangible assets and property, plant and equipment and investments in subsidiaries when there is evidence of impairment. Intangible assets and property, plant and equipment and investments in subsidiaries are written down to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the net present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Other assets

Receivables included under long-termed assets include long-term leasing prepayments on land abroad. These shall be measured by the first inclusion at cost price and shall be expensed over the period of the lease.

Inventories

Inventories are measured at cost price, calculated in accordance with the FIFO or net realizable value where this is lower.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and production overheads. Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables shall be measured at amortised cost, which usually corresponds to the nominal value less any impairment losses to meet expected depreciation.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portofolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments recognised under "Current assets" comprise expenses incurred concerning subsequent financial years.

Cash

Cash comprises cash balances and bank balances.

Securities and investments

Securities included under current assets include listed securities that are measured at fair value (market price) at the balance sheet date.

Equity capital

Reserve for net revaluation according to the equity method

Net revaluation of investment in Group companies is recognised at cost in the reserve for net revaluation according to the equity method.

The reserve can be eliminated in case of losses, realisation of equity investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the transferred profit reserve under equity.

Notes

1 Accounting policies (continued)

Currency translation reserve
The currency translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of asstes and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments is subsidiaries and associates in the parent compant financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Dividend
Dividend proposed for the year is recognised as a liability at the date when it is adopted at the general meeting (declaration date). Dividend expected to be distributed for the year is disclosed as a separate item under equity.

Income tax and deferred tax
Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on prior-year taxable income and tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Income tax receivable" or "Income tax payable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes or on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting neither the profit/loss for the year nor the taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

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.

Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured at net realisable value or fair value.

Post-employment benefits
The Group’s obligation under employee end of service benefit is accounted for as an unfunded defined benefit plan and is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognised immediately under Equity. The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in employee costs in the statement of profit or loss.

Other financial liabilities

Other financial liabilities shall be measured at amortised cost, which usually corresponds to the nominal value.

Other liabilities are measured at net realisable value.

Prepayments received from customers
Prepayments received from customers a recognized as a liability comprises payments received concerning income in subsequent financial reporting years.

Fair value
Fair value measurements are based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximizes the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities that are measured at fair value or where the fair values is disclosed are classified based on the fair value hierarchy, see below:

Level 1:
Value based on the fair value of corresponding assets/liabilities in a well-functioning market.

Notes

1 Accounting policies (continued)

Level 2:
Value calculated on the basis of recognised valuation methods based on observable market information.

Level 3:
Value calculated on the basis of recognised valuation methods and reasonable estimates are made on the basis of non-observable market information.

Cash flow statement
The cash flow statement is presented according to the indirect method and shows cash flows relating to operations, investments and financing as well as the company's cash at the beginning and end of the year.

Cash flows concerning operating activities is calculated as operating income adjusted for non-cash operating items, changes in working capital as well as paid corporation tax.

Cash flows concerning investing activities include payments in connection with the acquisitions and sales of companies, activities and financial fixed assets as well as the purchase, development, improvement and sales, etc. of intangible fixed assets and fixed assets.

Cash flows concerning financing activities include changes in the size or composition of the company's share capital and related expenses, as well as borrowing of loans, repayment of interest-bearing debt, purchase of own shares and payment of dividends.

Cash includes cash and cash equivalents and short-term securities with an insignificant exchange rate risk less short-term bank debt, which is related to operating funding.

Omission of a cash flow statement
With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flow are reflected in the consolidated cash flow statement.

Segment information
Segment information is disclosed by geographic markets. Segment information follows the Group’s accounting policies, risks and internal financial management.

Organic Growth
Organic growth is calculated as realized numbers recalculated to last year currencies and adjusted for acquisitions done in the year.

Financial highlights
The key ratios presented under “Highlights 2022” have been calculated as follows:

Return on assets $$\frac{\text{Profit before financial items, etc. x 100}}{\text{Average assets}}$$

Return on equity capital $$\frac{\text{The financial profit for the year after tax excl. minority interests x 100}}{\text{Average equity capital excl. minority interests}}$$

Solvency ratio $$\frac{\text{Equity capital excl. minority interests, year end x 100}}{\text{Total liabilities, year end}}$$

EBITDA is calculated on the basis of EBIT, depreciations and disposals for the year as well as accumulated depreciation on divested assets.
Trade Working Capital is calculated on the basis of inventory, receivables from sales and suppliers of goods.

Notes

2 Segment information on Revenue

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Geographic markets				
Europe and Overseas	0	0	240,300	244,146
Asia and Pacific Ocean	0	0	576,500	551,994
Middle-East and Africa	0	0	1,098,343	909,600
	0	**0**	**1,915,143**	**1,705,740**

3 Staff expenses

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Wages and salaries	0	0	311,315	301,647
Pensions	0	0	30,776	28,308
Other expenses for social security	0	0	1,489	1,424
	0	**0**	**343,581**	**331,378**
The number of people employed on average	0	0	1,143	1,157

The staff expenses are included in the items production, distribution, and administration expenses.

Remuneration to the company's management and board of directors in 2022 is 7,891 tDKK (2021: 5,708 tDKK).

4 Other operating income

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Profit on the sale of fixed assets	0	0	162	0
Other operating income	0	0	7,364	1,931
	0	**0**	**7,526**	**1,931**

Other operating income consist among others of sales of octoboxes, plastic caps and pallets.

5 Other operating costs

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Loss on the sale of fixed assets	0	0	0	0
Non-continuing business	0	0	0	0
Other operating costs	0	0	0	0
	0	**0**	**0**	**0**

6 Special items

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Salary costs related to resigned employees	0	0	290	0
	0	**0**	**290**	**0**

Notes

7 Income from investments in Group companies

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Share from profit in Group companies	-27,195	19,870	0	0
Offset in internal profit after tax on inventories purchased within the group	-3,749	3,356	0	0
Goodwill depreciation	-7,582	-7,582	0	0
	-38,527	**15,644**	**0**	**0**

8 Financial income

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Group companies	3,291	1,747	0	0
Other financial income	12,126	21,923	44,917	37,962
	15,417	**23,670**	**44,917**	**37,962**

9 Financial expenses

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Group companies	106	0	0	0
Other financial expenses	98,764	452	171,270	20,516
	98,869	**452**	**171,270**	**20,516**

10 Tax on ordinary profit

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Tax on profit for the year	0	5,100	8,530	25,088
Adjustment of deferred tax	-18,380	0	-22,171	-21
Adjustment to tax relating to previous years	-137	0	3,418	640
Withholding taxes on foreign activities	0	0	6,564	3,944
	-18,518	**5,100**	**-3,659**	**29,651**

11 Intangible assets

(tDKK)	Development projects	Goodwill
Group		
Cost price 1/1 2022	97,558	75,815
Correction to opening	-557	0
Rate adjustment at closing rate	-280	0
New entries for the year	4,208	0
Cost price 31/12 2022	**100,929**	**75,815**
Depreciation 1/1 2022	-50,536	-24,755
Correction to opening	614	0
Rate adjustment at closing rate	170	0
The year's amortisation	-14,945	-7,582
Depreciaion 31/12 2022	**-64,697**	**-32,337**
Accounting value 31/12 2022	**36,232**	**43,478**

Developments projects such as software relates to the implementation and development of the ERP system. Management has based on the current activity level made an assessment that there are no indications of impairment.

Notes

12 Tangible assets

(tDKK)	Land and buildings	Production facility and machinery	Other installations, operating equipment and furniture	Non-current assets under construction and pre-payments	Tangible assets in total
Group					
Cost price 1/1 2022	739,106	1,159,271	128,369	111,977	2,138,723
Rate adjustment at closing rate	-743	8,648	-283	-7,163	458
New entries for the year	9,518	13,576	4,552	63,755	91,401
Disposals for the year	-1,799	-17,574	-3,447	0	-22,820
Transferred in the year	13,815	6,628	4,279	-29,666	-4,944
Cost price 31/12 2022	**759,897**	**1,170,549**	**133,470**	**138,902**	**2,202,818**
Revaluation 1/1 2022	0	0	0	0	0
Rate adjustment at closing rate	0	0	0	0	0
This years revaluation	0	434	0	0	434
Disposals for the year	0	0	0	0	0
Revaluation 31/12 2022	**0**	**434**	**0**	**0**	**434**
Depreciation 1/1 2022	-345,194	-830,334	-92,663	0	-1,268,191
Rate adjustment at closing rate	-5,007	-17,062	-667	0	-22,736
The year's depreciation	-24,181	-74,990	-9,856	0	-109,027
Accumulated depreciation, divested assets	75	12,105	2,361	0	14,540
Depreciation 31/12 2022	**-374,307**	**-910,281**	**-100,825**	**0**	**-1,385,413**
Accounting value 31/12 2022	**385,590**	**260,702**	**32,645**	**138,902**	**817,839**

Notes

13 Financial fixed assets

(tDKK)	Other assets
Group	
Cost price 1/1 2022	17,505
Rate adjustment at closing rate	-2,112
Additions for the year	0
Disposals for the year	-5,169
Cost price 31/12 2022	**10,224**

(tDKK)	Investments in Group companies
Parent company	
Cost price 1/1 2022	72,931
New entries for the year	0
Disposals for the year	0
Cost price 31/12 2022	**72,931**
Revaluation 1/1 2022	907,398
Offset in internal profit after tax on inventories	-3,749
Rate adjustment at closing rate, etc.	4,679
Share of profit for the year	-27,195
Goodwill depreciation	-7,582
Actual gain/loss, employee benefits	948
Revaluation 31/12 2022	**874,497**
Accounting value 31/12 2022	**947,428**

13 Financial fixed assets (continued)

Group companies:

Company name	Registered address	Ownership share
CO-RO A/S	Denmark	100%
CO-RO Deutschland GmbH	Germany	100%
CO-RO Switzerland SAGL	Switzerland	100%
CO-RO Food (China) Ltd.	China	100%
Golden Creation (Tianjin) Trade CO., Ltd.	China	100%
ACI-CORO Bangladesh Ltd.	Bangladesh	50.1%
Binzagr CO-RO Ltd.	Saudi Arabia	50%
Barkath CO-RO SDN BHD	Malaysia	50%
Barkath CO-RO Manufactoring SDN BHD	Malaysia	50%
BIDCORO Africa Ltd.	Kenya	50%
Sunquick Lanka Pvt. Ltd.	Sri Lanka	51%
Sunquick Lanka Properties Pvt. Ltd.	Sri Lanka	49%
TAKCORO international Beverage Company	Iran	50%
Khudairi CORO Trading DMCC, Dubai	Iraq	50%
Rania for Food Products Ltd.	Iraq	49%
Soudancoro for juices and drinks Company Ltd.	Egypt	50%

All subsidiaries are independent entities.

Due to the expected challenging market conditions in 2023 management has assessed the valuation of the Group's assets for each cash generating unit (CGU). The assessment has not led to any further impairment in 2022.

Management has based the value in use for the operations in Kenya, Malaysia and China by estimating the present value of future cash flows from a 5-year forecast approved by the board of directors. Key parameters in the forecast are trend in revenue, cost development and growth expectations.

A negative change to the assumptions for revenue and cash flows or an increase in discount rate (15%) applied will result in need for further impairment of the operations in Kenya.

Notes

14 Accruals and deferred expenses

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Prepaid lease	0	0	10	2,001
Prepaid licenses	0	0	3,190	4,385
Other	0	0	2,573	879
	0	**0**	**5,773**	**7,265**

15 Equity capital

	Group	
(tDKK)	**2022**	**2021**
The share capital is distributed as follows:		
A-stocks, 2 of tDKK 2,500	5,000	5,000
B-stock, 2 of tDKK 22,500	45,000	45,000
	50,000	**50,000**

There have not been any changes in the share capital the last 5 years.

16 Allocation of the Profit

	Parent company	
(tDKK)	**2022**	**2021**
Reserve for net revaluation in accordance with the equity method	-38,527	15,644
Transferred profit	-65,009	18,082
	-103,535	**33,726**

17 Minority interests

	Parent Company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Minority interests 1/1 2022	0	0	276,670	300,910
Disposal for the year	0	0	0	0
Share of profit for the year	0	0	-7,865	-7,459
Distributed dividends	0	0	-42,935	-41,737
Capital contribution	0	0	27,776	205
Actuarial gain/loss, employee benefits	0	0	948	0
Currency exchange adjustments	0	0	-7.067	24.751
	0	**0**	**247,527**	**276,670**

18 Provision for pensions and similar

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Severance obligation 1/1 2022	0	0	25,008	25,016
Rate adjustment at closing rate	0	0	1,204	1,893
Cost	0	0	2,707	3,698
Benefits paid	0	0	-1,774	-7,115
Actuarial gain/loss, employee benefits	0	0	-2.366	1,875
This year's adjustment	0	0	-13	-359
	0	**0**	**24,766**	**25,008**

Provisions relate to the severance obligation to employees of foreign group companies and will be paid as the employees in these companies leave the group.

	Parent company		Group	
	2022	**2021**	**2022**	**2021**
Discount rate	0%	0%	4,00%	2,00%
Expected rate of salary increase	0%	0%	4,15%	4,00%
Retirement age	0 years	0 years	60 years	60 years

Notes

18 Provision for pensions and similar (continued)

The following payments are expected to the defined benefit plan in future years:

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Within the next 12 months	0	0	8,057	6,952
Between 1-5 years	0	0	13,465	13,399
Between 5-10 years	0	0	4,988	7,275
	0	**0**	**26,510**	**27,608**

19 Provision for deferred tax

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Deferred tax 1/1 2022	0	0	-7,024	-8,514
Rate adjustment at closing rate	0	0	-639	-831
This year's adjustment of deferred tax	18,380	0	-11,976	2,321
	18,380	**0**	**-19,639**	**-7,024**
Deferred tax breakdown:				
Intangible assets	0	0	7,765	10,030
Tangible assets	0	0	15,502	2,854
Accruals	0	0	-601	171
Unused tax losses and credits	18,380	0	-21,169	0
Internal profit	0	0	-21,136	-20,080
	18,380	**0**	**-19,639**	**-7,024**
Deferred tax is recognized in the statement as:				
Assets	18,380	0	-41,922	-29,837
Liabilities	0	0	22,283	22,813
	18,380	**0**	**-19,639**	**-7,024**

The Group has on 31 December 2022 included a deferred tax asset totalling 42 mDKK. The tax asset mainly consists of time differences on group eliminated internal profit.

19 Provision for deferred tax (continued)

Based on the budgets, management has assessed the probability that future taxable income will be available in which the tax asset can be utilised.

20 Contingencies and other financial obligations

Contingent assets

Some tax assets related to tax losses in the Group are not booked in the balance, due to uncertainness regarding utilisation within a shorter foreseeable future period.
The not recognised Deferred tax asset amounts to 27 mDKK.

Contingent liabilities

The company is jointly taxed with CO-RO Holding A/S. The company is liable unrestricted and jointly with other Danish jointly taxed companies in the Group for corporate taxes and withholding tax on dividends, interest and royalties within the joint taxation. The total liability is calculated at 4.0 mDKK as of 31 December 2022. Any subsequent corrections of the joint taxation income and withholding taxes, etc. could result in the company's liability amounting to a larger amount.

Binzagr CO-RO Company Ltd. has initiated appeals regarding the resumption of corporate tax cases for 2018. The contingent liability is estimated to amount to 3.1 mDKK.

CO-RO Food (China) Ltd. has a dispute regarding a leased land. The dispute is not expected to cause future economic consequences.

CO-RO A/S has in 2022 granted a support letter to BIDCORO until the end of 2023.

Rental and lease contracts

A facility management agreement has been concluded concerning tools and equipment in CO-RO A/S.

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Within one year	0	0	2,542	3,300
Between one and five years	0	0	1,317	1,233
After five years	0	0	0	0
	0	**0**	**3,860**	**4,533**

Notes

21 Mortgages and collateral

Mortgages and collateral
CO-RO Manufacturing Sdn. BHD. The property's book value per. 31 December 2022 amounted to 17,0 mMYR equivalent to 27,0 mDKK. The bank debt is per. 31. December 2022 at 25,4 mDKK.

The property in Sunquick Lanka Properties Pvt. Ltd. is provided as collateral for bank facilities. The property's book value per. 31. December 2022 amounted to 708,7 mLKR equivalent to 13,6 mDKK. The bank debt is per. 31 December 2022 at 3,2 mDKK.

CO-RO A/S has guaranteed bank debt in subsidiaries in China up to 7,6 mEUR - equivalent to 56,5 mDKK. The bank debt amounts to 27,1 mDKK as of 31 December 2022.

CORO A/S has guaranteed the receivable towards the Egyption customer Portsaid Modern Trade Development Co. - Soudanco S.A.E. - equivalent to 0,8 mDKK

22 Related parties

	Basis
Determining influence	
CO-RO´s Fond, Holmensvej 11, 3600 Frederikssund	Principal shareholder
Other related parties	
Preben König	Chairman of the board
Michael Ring	Member of the Board of Directors
Annette Kobberup Stougaard	Member of the Board of Directors

22 Related parties (continued)

Transactions with related parties

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Interest income Group companies	3,291	1,747	0	0
Interest costs Group companies	-106	0	0	0
Receivables Group companies	115,393	36,259	0	0
Debt Group companies	2,612	4,006	0	0

Remuneration to Management is disclosed in note 3.

23 Remuneration to auditor elected at the general assembly

	Parent company		Group	
(tDKK)	**2022**	**2021**	**2022**	**2021**
Auditor’s remuneration EY	56	18	2,237	1,756
Other services	0	0	196	85
Tax consulting	0	5	986	834
	56	**23**	**3,419**	**2,676**

24 Changes in working capital

	Group	
(tDKK)	**2022**	**2021**
Change in inventories	-71,454	-87,265
Change in receivables	11,178	-79,243
Change in trade and other payables	-56,959	65,452
	-117,235	**-101,056**

Notes

25 Acquisition of subsidiaries and capital injection

(tDKK)	Group 2022	2021
BIDCORO Africa Ltd	15,589	0
Sunquick Lanka Pvt. Ltd	3,267	0
ACI CORO Bangladesh Ltd	8,920	0
Soudancoro Company Ltd	0	205
	27,776	**205**

26 Cash and cash equivalents

(tDKK)	Group 2022	2021
Cash and cash equivalents at 31/12 2022 comprise:		
Securities with terms to maturity of less than three months	730,631	890,046
Cash	175,237	141,053
Revolving credit facility	-111,027	-71,180
	794,841	**959,919**

Restricted cash that are not available for general business use amounts to 12,5 mDKK.

27 Fair Value

	Parent company		Group	
(tDKK)	2022	2021	2022	2021
Bonds and Mutual funds				
Changes in fair value recongized in the P&L	-86,272	8,237	-86,272	8,237
Fair value of assets or liablities as of 31/12 2022	730,631	890,060	730,631	890,060

Fair value level 1.

Company details

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Fax:	+45 47 38 38 88
CVR no.:	14 79 06 08
Established:	9 October 1990
Municipality of registred office:	Frederikssund
Financial year:	1 January - 31 December

Board of directors CO-RO Holding A/S:
Michael Ring (Chairman)
Jens Albert Harsaae (Vice chairman)
Torsten Steenholt Christensen
Per Falholt
Lars Vestergaard

Executive board:
Søren Holm Jensen

Auditors:
EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
DK-2000 Frederiksberg

Ownership:
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