Annual report

2021

CO-RO

REFRESH AND DELIGHT

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

Chair of the meeting,
March 16, 2022

Contents

MANAGEMENT REVIEW

Letter from the CEO

After the "Perfect Storm" we faced in 2020, our key focus in 2021 was getting back on track through executing our new Balanced Growth strategy – "The Orange". Although still a difficult year, I am proud of how our skilled and engaged employees managed to:

- Grow Revenue by 14% (in comparable currencies) to 1.706 mDKK
- Grow revenue and profit in all our 3 regions
- Grow EBITDA by 55 mDKK and net profit by 70 mDKK
- Establish 2 new companies in Egypt and Bangladesh
- Launch 42 new products and expand into 7 new markets

Continued external challenges
Like most other international companies, our supply chain was challenged by the global congestion of container ports, shortage of raw materials as well as steep increases in input costs and freight rates. These supply chain challenges accelerated in the second half of 2021 and will continue into 2022.

Our business – especially foodservice in Asia - continued to be challenged by Covid-19 lockdowns, although to a lesser degree than in 2020. The year also brought further legislative challenges in our core Middle East region, as the 50% excise duty on sweetened beverages was expanded to Oman and the Iraqi dinar was devaluated by 20% - both are Top 5 CO-RO markets.

Adjusted strategy & growth in all Regions
Through the execution of our adjusted strategy focusing on Balanced Growth, we managed to grow revenue in each of our core regions; +4% in EUOS, +10% in MEA and +26% in APAC (in comparable currencies), as well as improve profitability in all 3 regions. Our profit margins are still under pressure and although improving in 2021, it will take time to recover from the effects of the sweetened beverage tax in our core Middle East markets.

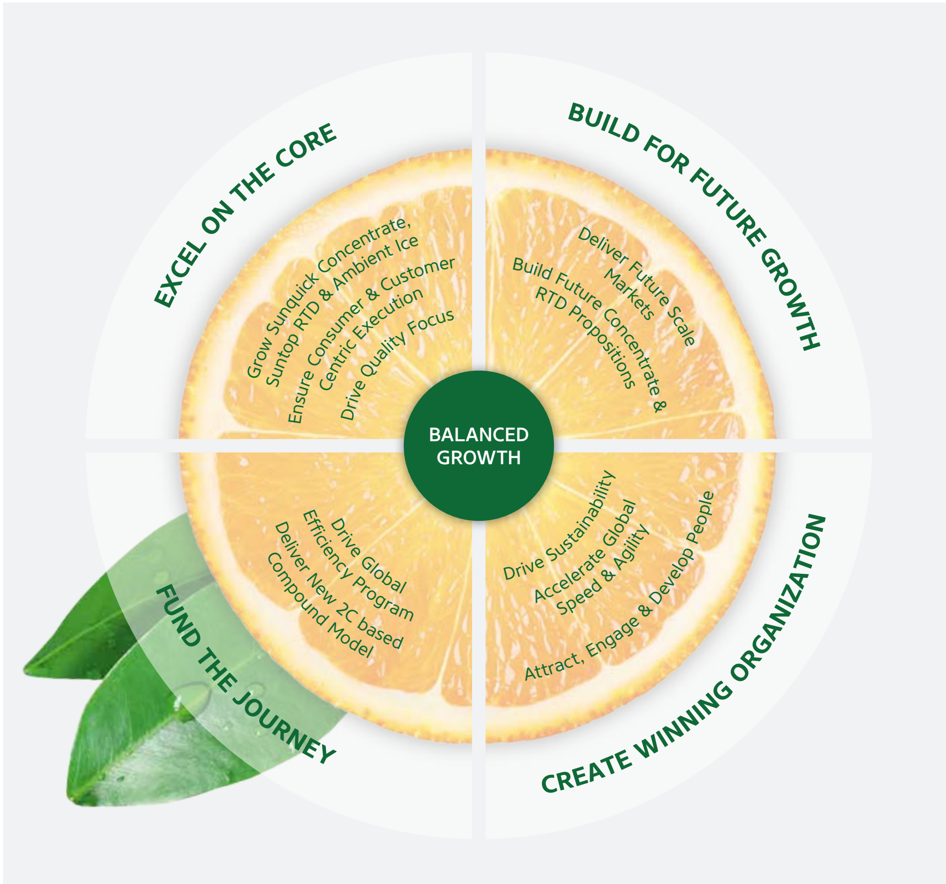


Foto: Gregers Tycho/Ritzau/Ritzau Scanpix

Excel on the Core
Through increased focus on execution excellence as well as less Covid-19 lock-downs, we saw a strong comeback and double-digit sales growth in our two biggest markets, Saudi Arabia and China. In Malaysia, our third biggest market, Sunquick had another fantastic year gaining 4 %-points market share, and in Europe, expansion of our Ice Lollies ensured record revenue.

Build for Future Growth
During 2021 we entered 7 new markets and launched 42 new products, including 2 new lower calorie product ranges; Sunquick Zero and Suntop No-Added-Sugar. We expanded aggressively in the up-and-coming African continent resulting in impressive sales growth of 50%. We invested in setting up new equity partnerships in 2 big high growth markets, Soudancoro in Egypt and ACI-CORO in Bangladesh.

Fund the Journey
We further accelerated our global Efficiency program, which delivered savings of +25 mDKK across the group. We established new local production of Suntop in Egypt and in Libya, which provides logistics savings, better market access and lower CO2 footprint. These initiatives enabled us to partly offset the significant increase in input costs and freight rates.

Create Winning Organization
We continued putting top priority on ensuring safety and wellbeing of our staff - while navigating through the continued Covid-19 restrictions and supply chain disruptions. We launched a new global Sustainability program to drive our environment agenda. Throughout the year, our great staff proved their resilience and ability to adapt, resulting in all time high employee engagement.

2022 – positive momentum, but challenged supply chain
We are entering 2022 with strong in-market momentum. Covid restrictions are easing, schools are reopening, and our brands are well positioned for growth. We expect good sales growth in all 3 regions, especially in the high growth markets in Africa and Asia.

Our key focus will again be executing our Balanced Growth Strategy across the organization. Due to the global challenges on commodities and logistics, we will put extra focus on coping with expected continued supply problems and very high increases in costs of raw materials, packaging materials, transport and utilities.

2022 marks the Groups 80th anniversary – a great occasion to celebrate our heritage and show appreciation to our great staff and valued partners around the world.

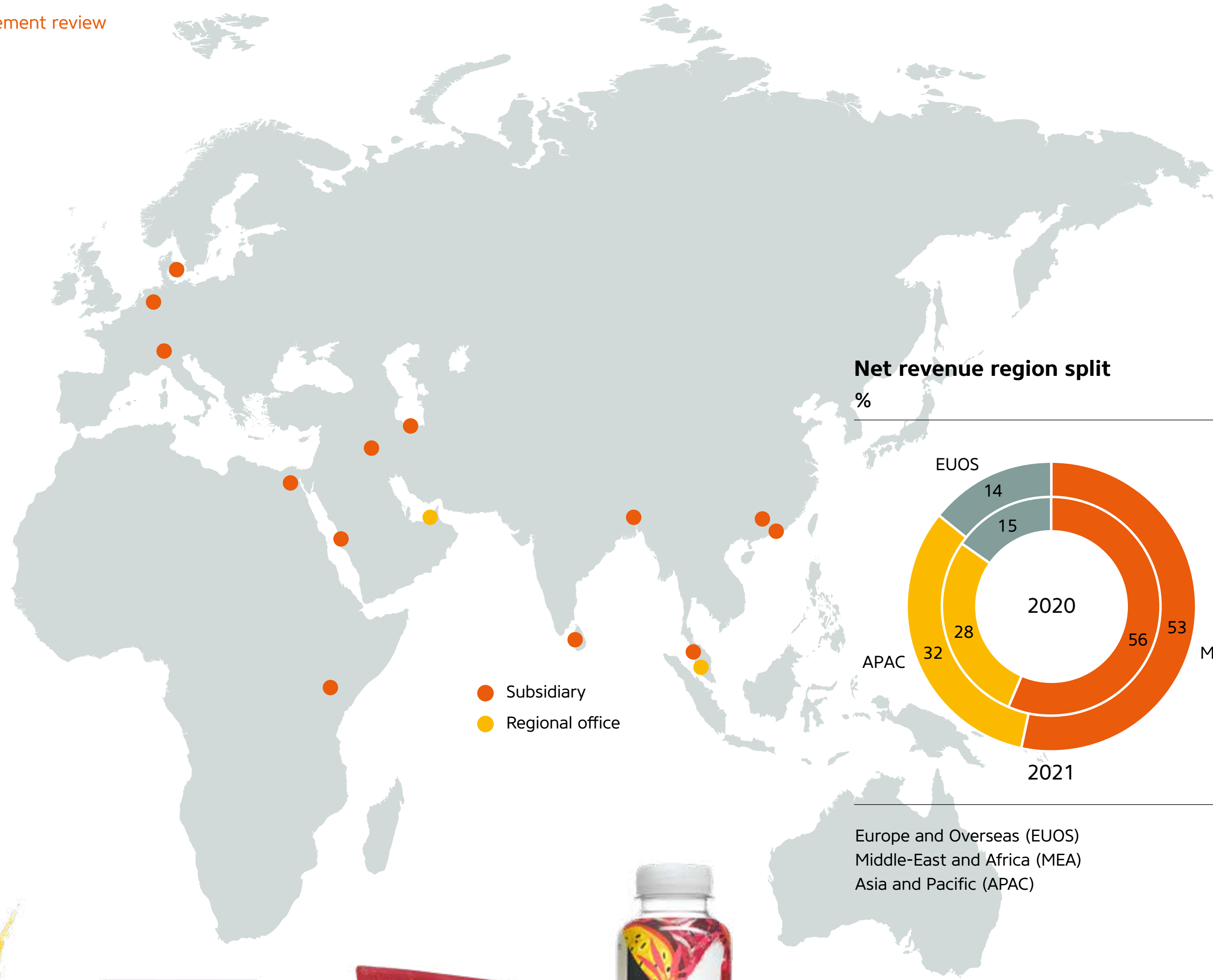
Søren Holm Jensen
President & CEO

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.



Net revenue region split

%

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

Highlights 2021

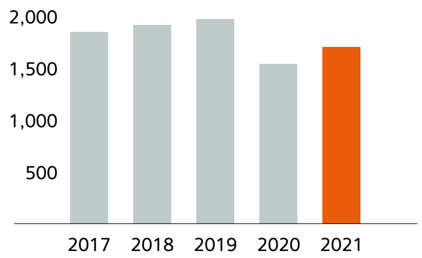
PRINCIPAL AND KEY FIGURES

(mDKK)	2021	2020	2019	2018	2017
Profit and loss statement					
Revenue	1,706	1,539	1,971	1,914	1,847
Gross profit	507	443	693	641	631
EBITDA	174	120	281	261	270
EBIT	38	-24	158	150	181
Net financials	17	-1	46	-12	39
Profit for the year	26	-44	160	100	180
Balance sheet					
Balance sheet total	2,803	2,672	2,814	2,590	2,404
Investments in tangible fixed assets	103	111	117	181	202
Equity capital	2,192	2,161	2,272	2,119	2,062
Cash flow					
Operating acitivities	59	147	333	175	226
Investing activities	-109	-82	-140	-228	-191
Free cash flow	-50	65	193	-53	35
Employees					
Average number of full-time employees	1,157	1,228	1,242	1,280	1,143
Key figures (%) [1]					
Return on assets	1,4	-0,9	5,8	6	7,7
Return on equity capital	1,4	-1,8	6,3	3,7	8
Solvency ratio	68,4	69,6	68,9	69,9	73

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

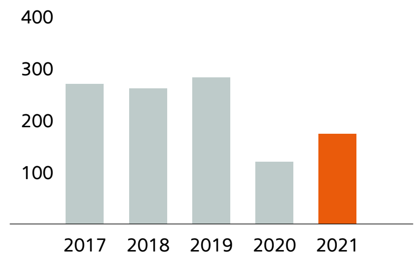
1,706

Revenue
mDKK



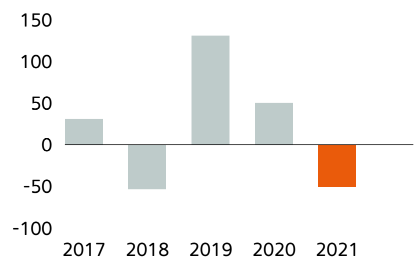
174

EBITDA
mDKK



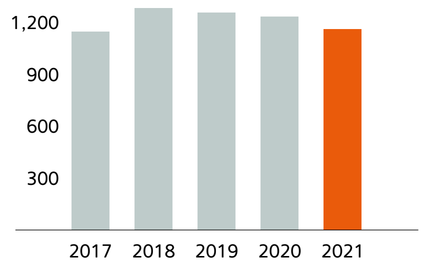
-50

Free cash flow
mDKK



1,157

Average number of full-time employees



Management review

DEVELOPMENT IN FINANCIAL YEAR 2021

Financial results for the year
2021 was a year of "getting back on track" for CO-RO Group, where Covid-19 continued to disrupt our supply chain as well as daily operations around the world, but also were our People, Brands & Products have proven their worth by securing a 14% increase in revenue (in comparable currencies) for CO-RO leading to a revenue of 1.706 mDKK.

EBITDA ended at 174 mDKK or 10.2% of revenue – an increase of 55 mDKK compared to last year.

Investments in capacity expansion and -improvements globally, including our new company in Egypt, Soudancoro, as well as our new green field factory being built in Bangladesh was at the same high level as previous year, leading to a smaller increase in depreciation charges over 2020. EBIT thus ended at 38 mDKK – 62 mDKK better than LY.

Net financials were an income of 17 mDKK against last year's expense of 1 mDKK, driven by better FX rates and better return on securities, all of which led to a net profit for 2021 of 26 mDKK.

EBIT for 2021 was in line with managements expectations. With the strong progress in most markets and good progress in all projects and initiatives, Management considers the Group's activities and results in 2021 to be satisfactory.

+14% growth

in Group Revenue

Balance sheet, investments & cash flows

CO-RO Group total assets at 31 December 2021 amounted to 2,803 mDKK against 2,672 mDKK at 31 December 2020.

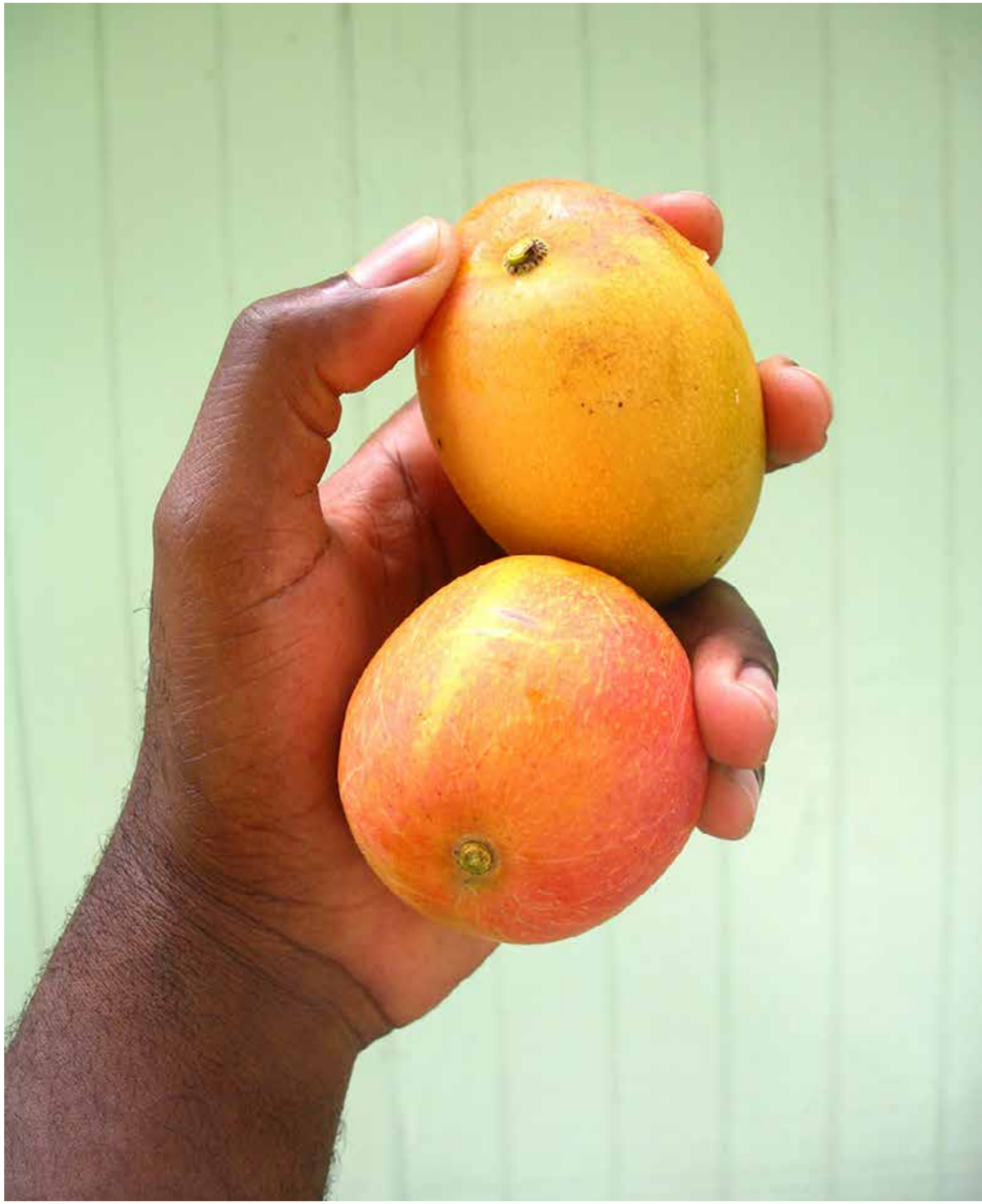
We continued to invest significantly in capacity expansion as well as new factories around the world, leading to a total of 110 mDKK invested in primarily our Bangladesh plant, extra production lines in Egypt and general maintenance and improvement of our DK plant. All investments made in 2021 were funded internally.

Trade Working Capital increased significantly in 2021 ending at 502 mDKK or 29.4% of revenue for good reasons. Management prudently decided to increase inventory, to mitigate the ripple effects of Covid-19 with disrupted supply chains, but also to secure availability in our markets for the upcoming 2022 Ramadan season. Furthermore, our receivables increased at year end as we saw significantly sales growth over the year before in the latter months of 2021.

Consolidated net cash flow ended at -65.5 mDKK in 2021 compared to +38.4 mDKK in 2020. Cash flows from operating activities were significantly reduced from capital tied up in Trade Working Capital, but as we continued to invest significantly across the group despite the challenging business environment, it resulted in negative net cash flows for the full year. However, CO-RO Group's solvency rate remains high at 68.4% (slightly below last year), providing a strong base for future growth and investment.

+60 mDKK

improvement in EBIT



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 profit after tax of 34 mDKK – in line with 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.

2022 OUTLOOK

In 2022 we expect continued revenue growth as our markets return to normal and our new ventures becomes fully operational. Strong focus on value management in all our companies as well as continued impact of our innovation agenda will bring us fully back on track with a more balanced portfolio of markets. Management expects a tough year with continued disruption in our supply chain as well as significant increases in commodity- and utility prices, but believe the skills and commitment of our employees as well as our strong partnerships will secure a strong 2022 for CO-RO.

For 2022, we expect revenue in the range of 1.75 to 1.95 bDKK. EBIT is expected to be similar to 2021, but still on the low side compared to previous years due to the prevailing circumstances. Similar developments are expected for the parent company.

+100 mDKK

invested in 2021

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.

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 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 current conflict in Ukraine is not expected to have a direct impact on CO-RO's business, but the ripple effects on the financial sector, further disruption in 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.

100.000 Sunquick Fruit Drinks

donated to front line health personnel in Sri Lanka

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.

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 2021 in accordance with §99 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 2021.

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 2021 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 2021.

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, 16 March 2022

Executive Board

Søren Holm Jensen

Board of Directors

Michael Ring
(Chairman)

Jens Albert Harsaae
(Vice chairman)

Torsten Steenholt Christensen

Sisse Fjelsted Rasmussen

Per Falholt

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 2021, 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 2021 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 2021 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, 16 March 2022

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**	**2021**	**2020**	**2021**	**2020**
Revenue	2	**0**	**0**	**1,705,740**	**1,539,055**
Production costs	3	0	0	-1,199,106	-1,096,030
Gross profit		**0**	**0**	**506,634**	**443,025**
Distribution costs	3	0	0	-327,646	-309,842
Administrative costs	3	-36	-21	-142,447	-154,908
Other operating income	4	0	0	1,931	5,553
Other operating costs	5	0	0	0	-7,509
Operating profit (EBIT)	6	**-36**	**-21**	**38,472**	**-23,681**
Income from equity investments in Group companies	7	15,644	-55,458	0	0
Financial income	8	23,670	27,371	37,962	39,771
Financial expenses	9	-452	-282	-20,516	-40,276
Profit before tax		**38,826**	**-28,390**	**55,918**	**-24,186**
Tax on ordinary profit	10	-5,100	-6,298	-29,651	-19,441
Net profit for the year		**33,726**	**-34,688**	**26,267**	**-43,627**
The profit of the group is distributed as follows:					
Shareholders in CO-RO Holding A/S				33,726	-34,688
Minority interests				-7,459	-8,939
Net profit for the year				**26,267**	**-43,627**

Balance sheet of 31 December

Assets

(tDKK)	Note	Parent company 2021	Parent company 2020	Group 2021	Group 2020
Acquired software rights		0	0	47,022	52,205
Goodwill		0	0	51,060	58,642
Intangible assets	11	**0**	**0**	**98,082**	**110,847**
Land and buildings		0	0	393,912	365,003
Production facility and machinery		0	0	328,937	357,416
Other facilities, operating equipment and equipment		0	0	35,706	39,583
Tangible fixed assets under construction and advance payments for tangible fixed assets		0	0	111,977	88,533
Tangible assets	12	**0**	**0**	**870,532**	**850,535**
Investments in Group companies		980,329	942,831	0	0
Deposit		0	0	0	0
Other receivables		0	0	17,505	10,209
Financial fixed assets	13	**980,329**	**942,831**	**17,505**	**10,209**
Long-termed assets		**980,329**	**942,831**	**986,119**	**971,591**
Raw materials and consumables		0	0	192,040	128,162
Work in progress		0	0	56,324	28,036
Finished goods and commercial goods		0	0	96,211	107,821
Advance payment for goods		0	0	20,180	12,154
Inventories		**0**	**0**	**364,755**	**276,173**
Receivables from sales and services		0	0	304,815	217,899
Company tax		3,493	0	19,406	6,855
Receivables with Group companies		36,259	46,684	0	0
Deferred tax asset	15	0	0	29,837	31,602
Other amounts receivable		0	0	59,533	61,391
Deferred expenses	14	0	0	7,265	22,066
Receivables		**39,752**	**46,684**	**420,856**	**339,813**
Securities		**890,046**	**850,224**	**890,046**	**850,224**
Cash and cash equivalents		**9,683**	**28,231**	**141,053**	**234,618**
Short-termed assets		**939,481**	**925,139**	**1,816,710**	**1,700,828**
Assets		**1,919,810**	**1,867,970**	**2,802,829**	**2,672,419**

Balance sheet of 31 December

Liabilities

(tDKK)	Note	Parent company 2021	Parent company 2020	Group 2021	Group 2020
Share capital		50,000	50,000	50,000	50,000
Reserve for net revaluation in accordance with the equity method		907,398	869,900	0	0
Actuarial gain or loss, employee benefits		0	0	-1,875	0
Currency translation reserve		0	0	-12,755	-36,484
Retained earnings		958,382	940,300	1,880,410	1,846,684
Proposed dividend for the financial year		0	0	0	0
Shareholders in CO-RO A/S' share of the equity capital		**1,915,780**	**1,860,200**	**1,915,780**	**1,860,200**
Minority interests	17	0	0	276,670	300,910
Equity capital total	15	**1,915,780**	**1,860,200**	**2,192,450**	**2,161,110**
Provision for pensions and similar	18	0	0	25,008	25,016
Provision for deferred tax	19	0	0	22,813	23,088
Other Credit institutions		0	0	35,242	8,329
Non-current liabilities		**0**	**0**	**83,063**	**56,433**
Prepayments received from customers		0	0	16,316	2,941
Other Credit institutions		0	0	71,180	66,775
Suppliers of goods and services		0	0	167,406	138,438
Company tax		0	3,261	20,862	7,913
Other debts		4,031	4,510	251,552	238,809
Short-term debt liabilities		**4,031**	**7,770**	**527,316**	**454,876**
Debt liabilities		**4,031**	**7,770**	**527,316**	**454,876**
Liabilities		**1,919,810**	**1,867,970**	**2,802,829**	**2,672,419**

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Statement of changes in equity
of 31 December

Group

(tDKK)	Share capital	Retained earnings incl. Revaluation reserves	Actuarial gain or loss, employee benefits	Currency translation reserve	In all	Minority interests	Equity capital in total
Equity capital 1 January 2020	**50,000**	**1,888,602**	**0**	**0**	**1,938,602**	**333,698**	**2,272,300**
New entries and disposals	0	-7,230	0	0	-7,230	47,394	40,164
Dividend paid	0	0	0	0	0	-38,313	-38,313
Allocation of the profit	0	-34,688	0	0	-34,688	-8,939	-43,627
Rate Adjustment etc., for Group companies	0	0	0	-36,484	-36,484	-32,930	-69,414
Equity capital 1 January 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
Dividend paid	0	0	0	0	0	-41,737	-41,737
Allocation of the profit	0	33,726	0	0	33,726	-7,459	26,267
Actuarial gain or loss, employee benefits	0	0	-1,875	0	-1,875	0	-1,875
Rate Adjustment etc., for Group companies	0	0	0	23,729	23,729	24,751	48,479
Equity capital 31 December 2021	**50,000**	**1,880,410**	**-1,875**	**-12,755**	**1,915,780**	**276,670**	**2,192,450**

Statement of changes in equity
of 31 December

Parent company

(tDKK)	Share capital	Reserve for net revaluation in accordance with the equity method	Retained earnings	Proposed dividend	In all
Equity capital 1 January 2020	**50,000**	**969,072**	**919,530**	**0**	**1,938,602**
Correction for the year	0	-7,230	0	0	-7,230
Dividend paid	0	0	0	0	0
Allocation of the profit	0	-55,458	20,770	0	-34,688
Rate Adjustment etc., for Group companies	0	-36,484	0	0	-36,484
Equity capital 1 January 2021	**50,000**	**869,900**	**940,300**	**0**	**1,860,200**
Correction for the year	0	0	0	0	0
Dividend paid	0	0	0	0	0
Allocation of the profit	0	15,644	18,082	0	33,726
Actuarial gain or loss, employee benefits	0	-1,875	0	0	-1,875
Rate Adjustment etc., for Group companies	0	23,729	0	0	23,729
Equity capital 31 December 2021	**50,000**	**907,398**	**958,382**	**0**	**1,915,780**

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

(tDKK)	Note	2021	2020
Profit before net financials		38,473	-23,681
Amortisation/depreciation charges		138,922	144,432
Other adjustments of non-cash operating items [1]		-6,653	12,882
Cash generated from operations before changes in working capital		170,742	133,633
Changes in working capital	23	-101,056	8,031
Cash generated from operations		69,686	141,664
Interest received		35,389	36,707
Interest paid		-17,655	-29,606
Income taxes paid		-28,633	-1,807
Cash flows from operating activities		**58,787**	**146,958**
Acquisition of intangible assets		-7,755	-11,043
Acquisition of property, plant and equipment		-102,549	-111,039
Disposal of property, plant and equipment		631	0
Acquisition of subsidiaries	24	0	0
Capital injection		205	40,164
Cash flows from investing activities		**-109,468**	**-81,918**
Loan financing:			
Proceeds of debt related to non-current liabilities		26,913	11,714
Shareholders:			
Dividend distribution		-41,737	-38,313
Cash flows from financing activities		**-14,824**	**-26,599**
Net cash flows			
Cash and cash equivalents, beginning of year		1,018,068	995,454
Exchange rates cash and cash equivalents, beginning of year		7,356	-15,827
Net change in cash and cash equivalents		-65,505	38,441
Cash and cash equivalents, year-end	25	**959,919**	**1,018,068**

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 2021 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.

Investments in which CO-RO has joint control are classified as joint ventures.

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

Notes

1 Accounting policies (continued)

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.

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 consid-

Notes

1 Accounting policies (continued)

ered 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.

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 capital shares 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.

Notes

1 Accounting policies (continued)

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.

Intangible fixed assets
Intangible fixed assets include acquired intellectual property rights, such as software and licenses.

Acquired intangible property rights are depreciated over 7 years and are measured at cost price after deduction of accumulated depreciations and deductions. Licenses are depreciated over 3 years.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. Assets 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.

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	20-40 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 tests are conducted on assets or groups of assets when there is evidence of impairment. Assets 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.

Leases
The Group has only operating 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 operat-

Notes

1 Accounting policies (continued)

ing 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.

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.

Investments in joint ventures
Investments in which CO-RO has joint control are classified as joint ventures. Investments in joint ventures are measured according to the equity method at the proportionate share of the entities' net asset values 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 Joint ventures with the addition or deduction of unamortised positive and negative goodwill, respectively, with deduction or addition of unrealised intra-group profits and losses.

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

Impairment
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.

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.

Notes

1 Accounting policies (continued)

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.

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.

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.

Notes

1 Accounting policies (continued)

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.

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 2021” 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 $$\frac{\text{Equity capital excl. minority interests, year end x 100}}{\text{Total liabilities, year end}}$$

Notes

2 Segment information on Revenue

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Geographic markets				
Europe and Overseas	0	0	244,146	235,307
Asia and Pacific Ocean	0	0	551,994	436,206
Middle-East and Africa	0	0	909,600	867,542
	0	**0**	**1,705,740**	**1,539,055**

3 Staff expenses

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Wages and salaries	0	0	301,647	267,182
Pensions	0	0	28,308	21,192
Other expenses for social security	0	0	1,424	3,978
	0	**0**	**331,378**	**292,352**
The number of people employed on average	0	0	1,157	1,228

The staff expenses are included in the items production, distribution, and administration expenses.Remuneration to the company's management and board of directors in 2021 is 5,708 tDKK (2020: 7,423 tDKK).

4 Other operating income

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Profit on the sale of fixed assets	0	0	0	818
Other operating income	0	0	1,932	4,735
	0	**0**	**1,932**	**5,553**

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

5 Other operating costs

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Non-continuing business	0	0	0	5,468
Other operating costs	0	0	0	2,041
	0	**0**	**0**	**7,509**

Notes

6 Special items

In 2020 CO-RO Group has recorded special items of 26 mDKK related to the following. 11 mDKK is related to non-continuing business in China, as we decided to close Jinan Huiyuan CO-RO Food Co. In addition, impairment of 15 mDKK was made on production assets in Bidcoro, Kenya, adjusting to a post Covid-19 situation in East Africa. The change to the Group and the parent company's financial statements on the respective accounting items is disclosed below:

	Parent		Group	
	Regulation as a result of special items		Regulation as a result of special items	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Revenue	0	0	0	-647
Distribution costs	0	15,000	0	18,700
Administrative costs	0	0	0	2,479
Other operating costs	0	0	0	5,468
Income from equity investments in Joint Ventures		11,000		0
Profit for the year	**0**	**26,000**	**0**	**26,000**
Balance	0	0	0	15,000
Tangible fixed assets	0	0	0	11,000
Accruals and deffered expenses	0	26,000	0	0
Assets	**0**	**26,000**	**0**	**26,000**
Equity	0	26,000	0	26,000
Liabilities	**0**	**26,000**	**0**	**26,000**

7 Income from investments in Group companies

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Share from profit in Group companies	19,870	-29,122	0	0
Offset in internal profit after tax on inventories purchased within the group	3,356	-19,213	0	0
Goodwill depreciation	-7,582	-7,123	0	0
	15,644	**-55,458**	**0**	**0**

8 Financial income

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Group companies	1,747	1,558	0	0
Other financial income	21,924	25,813	37,962	39,771
	23,671	**27,371**	**37,962**	**39,771**

9 Financial expenses

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Group companies	0	0	0	0
Other financial expenses	452	282	20,516	40,276
	452	**282**	**20,516**	**40,276**

Notes

10 Tax on ordinary profit

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Tax on profit for the year	5,100	5,955	29,032	18,574
Adjustment of deferred tax	0	0	-21	1,071
Adjustment to tax relating to previous years	0	343	640	-204
	5,100	**6,298**	**29,651**	**19,441**

11 Intangible assets

(tDKK)	Acquired rights	Goodwill
Group		
Cost price 1/1 2021	89,214	75,815
Rate adjustment at closing rate	589	0
New entries for the year	7,755	0
Disposals for the year	0	0
Cost price 31/12 2021	**97,558**	**75,815**
Amortisation and impairment losses 1/1 2021	-37,009	-17,173
Rate adjustment at closing rate	-463	0
The year's amortisation and impairment losses	-13,064	-7,582
Amortisation and impairment losses 31/12 2021	**-50,536**	**-24,755**
Accounting value 31/12 2021	**47,022**	**51,060**

Acquired software rights relate to the implementation and development of a new 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 2021	676,511	1,072,455	122,604	88,533	1,960,103
Rate adjustment at closing rate	26,459	68,873	4,715	4,069	104,116
New entries for the year	1,406	18,495	2,858	87,547	110,306
Disposals for the year	0	-22,586	-5,257	-202	-28,045
Transferred in the year	34,730	22,034	3,449	-67,970	-7,755
Cost price 31/12 2021	**739,107**	**1,159,271**	**128,369**	**111,977**	**2,138,723**
Depreciation and impairment losses 1/1 2021	-311,507	-715,038	-83,021	0	-1,109,566
Rate adjustment at closing rate	-11,708	-49,652	-3,972	0	-65,332
The year’s depreciation and impairment losses	-21,979	-86,329	-9,967	0	-118,276
Accumulated depreciation, divested assets	0	20,685	4,297	0	24,982
Depreciation and impairment losses 31/12 2021	**-345,194**	**-830,334**	**-92,663**	**0**	**-1,268,190**
Accounting value 31/12 2021	**393,912**	**328,937**	**35,706**	**111,977**	**870,533**

Notes

13 Financial fixed assets

(tDKK)	Other receivables
Group	
Cost price 1/1 2021	10,209
Rate adjustment at closing rate	1,099
Additions for the year	8,570
Disposals for the year	-2,374
Cost price 31/12 2021	**17,505**

(tDKK)	Investments in Group companies
Parent company	
Cost price 1/1 2021	72,931
New entries for the year	0
Disposals for the year	0
Cost price 31/12 2021	**72,931**
Revaluation 1/1 2021	869,900
Received dividends	0
Rate adjustment at closing rate, etc.	23,729
Share of profit for the year	19,870
Offset in internal profit after tax on inventories	3,356
Goodwill amortisation	-7,582
Employee benefits	-1,875
Revaluation 31/12 2021	**907,398**
Accounting value 31/12 2021	**980,329**

13 Financial fixed assets (continued)

Group companies:

Company name	Registered address	Ownership share
CO-RO A/S	Frederikssund, Denmark	100%
CO-RO Food (China) Ltd.	China	100%
CO-RO Deutschland GmbH	Germany	100%
CO-RO Beverage Trading LLC, Dubai	UAE	100%
Golden Creation (Tianjin) Trade CO., Limited	China	100%
CO-RO Switzerland SAGL	Switzerland	100%
Sunquick Lanka Pvt. Ltd.	Sri Lanka	51%
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%
Khudairi CORO Trading DMCC, Dubai	UAE	50%
TAKCORO international Beverage Company	Iran	50%
Soudancoro for juices and drinks Company Ltd.	Egypt	50%
Rania for Food Products Ltd.	Iraq	49%
Sunquick Lanka Properties Pvt. Ltd.	Sri Lanka	49%

All subsidiaries are independent entities.

Due to the expected challenging market conditions in 2022 management has assessed the valuation of the Group's assets for each cash generating unit (CGU). The assessment has not led to any impairment in 2021 (versus last year 15 mDKK impaired in Bidcoro on production assets).

Management has based the value in use for the operations in Kenya 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 applied will result in need for further impairment of the operations in Kenya.

Notes

14 Accruals and deferred expenses

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Prepaid lease	0	0	2,001	1,906
Prepaid insurances	0	0	4,385	4,604
Other	0	0	879	15,556
	0	**0**	**7,265**	**22,066**

15 Equity capital

	Group	
(tDKK)	**2021**	**2020**
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)	**2021**	**2020**
Reserve for net revaluation in accordance with the equity method	15,644	-55,458
Transferred profit	18,082	20,770
Total distribution	**33,726**	**-34,688**

17 Minority interests

	Group	
(tDKK)	**2021**	**2020**
Minority interests 1 January	300,910	333,698
Disposal for the year	0	7,230
Share of profit for the year	-7,459	-8,939
Distributed dividends	-41,737	-38,313
Capital contribution	205	40,164
Currency exchange adjustments	24,751	-32,930
Minority interests 31 december	**276,670**	**300,910**

18 Provision for pensions and similar

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Severance obligation opening balance	0	0	25,016	27,236
Rate adjustment at closing rate	0	0	1,893	-4,117
Actuarial gain/loss, employee benefits	0	0	-1,875	0
This year's adjustment	0	0	-26	1,897
	0	**0**	**25,008**	**25,016**

Provisions relate to the end of service benefit to employees of foreign group companies and will be paid as the employees in these companies leave the group.

Notes

19 Provision for deferred tax

(tDKK)	Parent company 2021	Parent company 2020	Group 2021	Group 2020
Intangible assets	0	0	10,030	11,355
Tangible assets	0	0	2,854	868
Inventories	0	0	0	1,190
Accruals	0	0	171	93
Internal profit	0	0	-20,080	-22,020
	0	**0**	**-7,024**	**-8,514**
Deferred tax 1 January	0	0	-8,514	4,393
Rate adjustment at closing rate	0	0	-831	-71
This year's adjustment of deferred tax	0	0	2,321	-12,836
Deferred tax 31 December, net	**0**	**0**	**-7,024**	**-8,514**
Assets	0	0	-29,837	-31,602
Liabilities	0	0	22,813	23,088
Deferred tax liabilities 31 December	**0**	**0**	**-7,024**	**-8,514**

The Group has on 31. December 2021 included a deferred tax asset totalling 29.8 mDKK. The tax asset consists of time differences on group eliminated internal profit.

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

The parent company is jointly taxed with the Danish subsidiary. As a management company, the company is indefinitely and jointly and severally liable with the subsidiary for Danish corporate taxes and withholding taxes on dividends, interest and royalties within the joint taxation circle. The jointly taxed companies' total known net obligation on corporate taxes and withholding taxes payable on dividends, interest and royalties amounts to 17.2 mDKK as of 31. December 2021. Any subsequent corrections to the joint taxation income or withholding taxes, etc. may result in the companies' liability amounting to a greater amount. The Group as a whole is not liable to others.

The company is jointly and severally liable with jointly registered group companies for the total VAT obligation. There is no liability per 31. December 2021.

Rental and lease contracts
A facility management agreement has been concluded concerning tools and equipment in CO-RO A/S. An agreement has also been concluded with Tetra Pak on the leasing of production equipment. Total future liabilities comprise:

(tDKK)	Parent company 2021	Parent company 2020	Group 2021	Group 2020
Within one year	0	0	3,300	3,659
Between one and five years	0	0	1,233	5,534
After five years	0	0	0	0
	0	**0**	**4,533**	**9,193**

Mortgages and collateral
The property in Barkath CO-RO Sdn. BHD. is provided as collateral for bank facilities in Barkath CO-RO Manufacturing Sdn. BHD. The property's book value per. December 31, 2021 amounted to 17.1 mMYR equivalent to 26.8 mDKK. The bank debt is per 31. December 2021 at DKK 0.

CO-RO A/S has guaranteed bank debt in subsidiaries in China up to 7.6 mEUR - equivalent to 56.8 mDKK. The bank debt amounts to 55 mDKK as of 31. December 2021.

Notes

20 Contingencies and other financial obligations (continued)

Contingent assets
The Group has no contingent assets.

Contingent liabilities
Binzagr CO-RO Company Ltd. has initiated appeals regarding the resumption of corporate tax cases for 2009 to 2011 and 2018. The contingent liability is estimated to amount to 8.8 mDKK.

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

In 2021 a support letter to BIDCORO and JKD has been granted till the end of 2022.

21 Related parties

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

CO-RO **Holding A/S have had following transactions with related parties:**

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Interest income Group companies	1,747	1,558	0	0
Interest costs Group companies	0	0	0	0
Receivables Group companies	36,259	46,684	0	0

22 Remuneration to auditor elected at the general assembly

	Parent company		Group	
(tDKK)	**2021**	**2020**	**2021**	**2020**
Auditor's remuneration EY	18	18	1,756	1,685
Other services	0	0	85	76
Tax consulting	5	5	834	878
	23	**23**	**2,676**	**2,639**

23 Changes in working capital

	Group	
(tDKK)	**2021**	**2020**
Change in inventories	-87,265	-19,793
Change in receivables	-79,243	47,268
Change in trade and other payables	65,452	-19,444
Decrease/(Increase) in working capital	**-101,056**	**8,031**

24 Acquisition of subsidiaries and activities

In 2021 a capital increase of 105 tDKK in Soudancoro was made.

Notes

25 Cash and cash equivalents

(tDKK)	Group 2021	Group 2020
Cash and cash equivalents at 31 December comprise:		
Securities with terms to maturity of less than three months	890,046	850,224
Cash	141,053	234,619
Revolving credit facility	-71,180	-66,775
Total cash and cash equivalents at 31 december	**959,919**	**1,018,068**

26 Fair Value

	Parent company		Group	
(tDKK)	2021	2020	2021	2020
Bonds and Mutual funds				
Changes in fair value recongized in the P&L	8,237	17,931	8,237	17,931
Fair value of assets or liablities as of 31st of december	890,060	850,224	890,060	850,224
	898,297	**868,156**	**898,298**	**868,156**

Bonds and mutual funds have a fair value of 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
Sisse Fjelsted Rasmussen

Executive board:
Søren Holm Jensen

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

Ownership:
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