# Annual report


REFRESH AND DELIGHT

CO-ROs Fond
CVR no. 26 88 05 99
Holmensvej 11
DK-3600 Frederikssund

Chair of the meeting,
17 May 2023

REFRESH AND DELIGHT

# Contents

# MANAGEMENT REVIEW

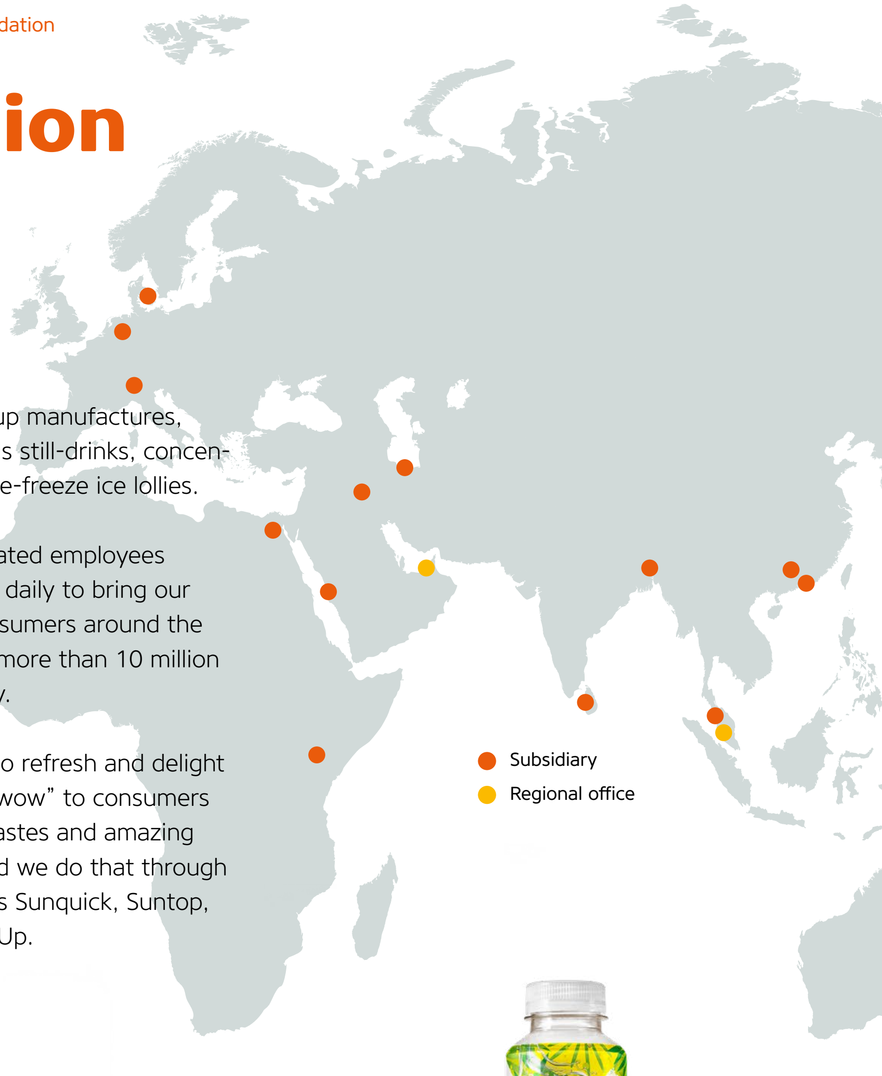
# CO-RO Foundation in brief

The CO-RO Foundation is a commercial Foundation, which acts as a governing body for managing, strengthening and maintaining existing and potential future companies within the CO-RO Group as well as other activities handled solely by the Foundation. The CO-RO Foundation is the ultimate owner of CO-RO Holding. The CO-RO Foundation's commercial activities are carried out in CO-RO A/S.

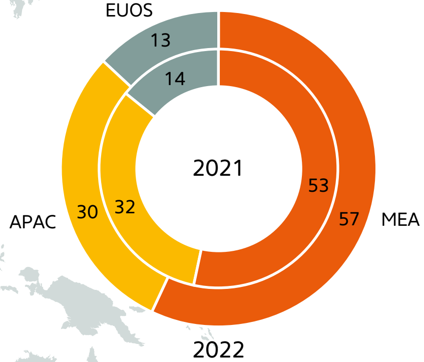
The CO-RO Group manufactures, markets and sells still-drinks, concentrates, and home-freeze ice lollies.

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

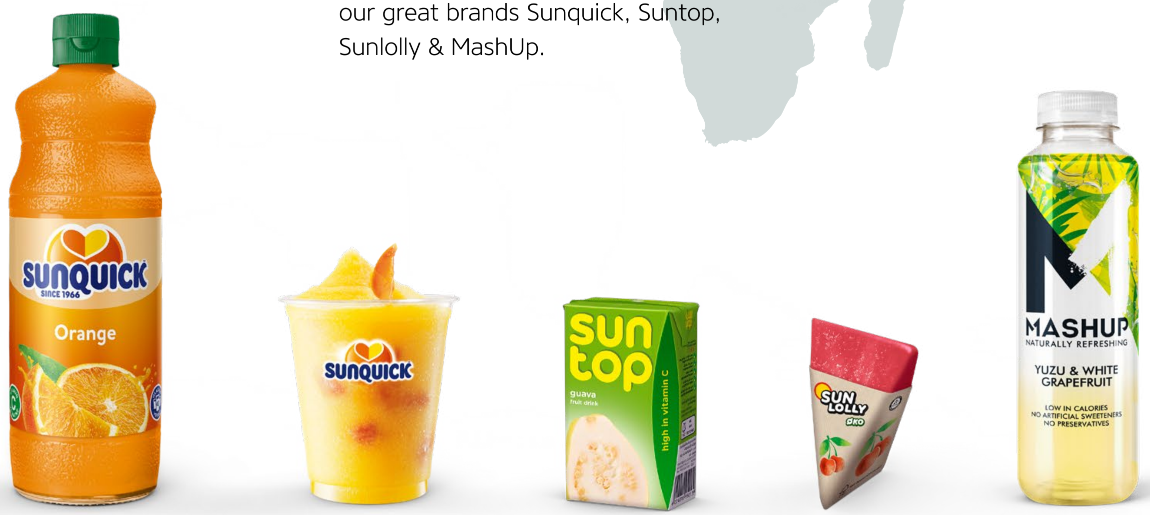
Our purpose is to refresh and delight – bringing the "wow" to consumers through great tastes and amazing experiences, and we do that through our great brands Sunquick, Suntop, Sunlolly & MashUp.




**Net revenue region split %**




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



# Highlights 2022

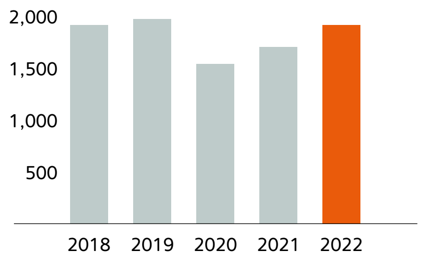
## PRINCIPAL AND KEY FIGURES

| (mDKK) | 2022* | 2021* | 2020* | 2019** | 2018** |
|---|---|---|---|---|---|
| **Profit and loss statement** | | | | | |
| Revenue | 1,915 | 1,706 | 1,539 | 0 | 0 |
| Gross profit | 520 | 507 | 443 | 0 | 0 |
| EBITDA [1] | 150 | 173 | 119 | 0 | -1 |
| EBIT | 10 | 38 | -24 | 0 | -1 |
| Net financials | -130 | 111 | 1 | 3 | -1 |
| Profit for the year | -115 | 119 | -43 | 121 | 65 |
| **Balance sheet** | | | | | |
| Balance sheet total | 2,790 | 2,934 | 2,710 | 1,980 | 1,850 |
| Investments in tangible fixed assets | 91 | 103 | 111 | 0 | 0 |
| Equity capital | 2,195 | 2,327 | 2,203 | 1,980 | 1,849 |
| **Cash flow** | | | | | |
| Operating acitivities | 91 | 87 | 148 | 0 | 0 |
| Investing activities | -198 | -109 | -82 | 0 | 0 |
| Free cash flow | -107 | -22 | 66 | 0 | 0 |
| **Employees** | | | | | |
| Average number of full-time employees | 1,143 | 1,157 | 1,228 | 0 | 0 |
| **Key figures (%)** [1] | | | | | |
| Return on assets | 0,4 | 1,3 | -0,9 | -0,0 | -0,1 |
| Return on equity capital | -5,8 | 6,0 | -1,8 | 6,3 | 3,6 |
| Solvency ratio | 69,8 | 69,9 | 69,6 | 100,0 | 100,0 |

[1] For EBITDA key figure definitions see the section on applied accounting practice
* Consolidated principal and key figures for the Group
** Stand-alone figures principal and key figures for CO-ROs Fond. According to Danish Accounting Act paragraph 111

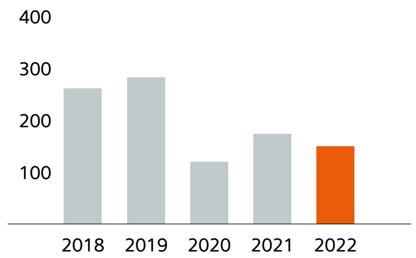
**1,915**

**Revenue**
mDKK




**150**

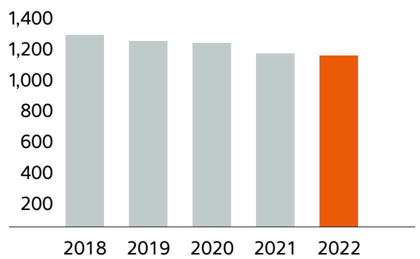
**EBITDA**
mDKK




**69,8% Solvency ratio**

**1,143**

**Average number of full-time employees**



# Management review


## DEVELOPMENT IN FINANCIAL YEAR 2022

**Financial results for the year**

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 23.5 mDKK thus ending at 150 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 10.1 mDKK for the full year.

**+12% growth**

in Group Revenue

Net Financials showed a significant increase in expenses, leading to -130.3 mDKK in 2022 against last year's income of 111.3 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 -102.2 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 -115.5 mDKK.

**3.5%-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 2,790 mDKK against 2,934 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 496.5 mDKK or 25.9% of revenue (down 3.5 %-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 -110 mDKK in 2022 compared to -38 mDKK in 2021. Cash flows from operating activities decreased by 15 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 69.8% vs 69.9% 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 CO-ROs Fond**

The CO-RO Foundation incurred a net loss after tax of 107.6 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.

## RECOMMENDATIONS ON FOUNDATION GOVERNANCE

The CO-RO Foundation constantly strives to secure that the management and control systems of the Foundation are effective, adequate, and well-functioning.

To facilitate this a series of internal policies and procedures have been adopted and described in the Foundations Rules of Procedure. These are regularly reviewed and adjusted if needed, to ensure strong leadership in - and governance of - the CO-RO Foundation in line with the overall Board composition as well as the Articles of Association for the CO-RO Foundation.

Safeguarding the interests of the CO-RO Foundation involves a duty for the Board of Directors to ensure that the activity and distribution objectives are promoted in the best possible way, and that work is performed solely in the interests of the Foundation. The CO-RO Foundation follows the “Recommendation on Foundation Governance” from 2020 with

its 17 specific recommendations as a way to ensure this.

The Foundation have for 2022 decided to comply or explain as per the below:

**No 1.1 - Transparency and communication**
The CO-RO Foundation complies with this recommendation. The Chairman handles all communication towards external stakeholders unless otherwise decided by the Chairman. Any requests or questions made to other Board members are passed on to the Chairman who decides how to handle the matter.

**No 2.1.1 - position on the overall strategy and distribution policy**
The CO-RO Foundation complies with this recommendation. The Foundation regularly evaluates its strategy and distribution policy at the Board meetings in compliance with the Foundations Charter.

**No 2.1.2 – Foundations Asset Management**
The CO-RO Foundation complies with this recommendation, as the Board in regular meetings decide on appropriate Asset Management to secure the purpose and needs of the CO-RO Foundation.

**No 2.2.1 – Ensure effective Board work**
The CO-RO Foundation complies with this recommendation. The Board meets several times annually with a pre-agreed agenda. All meetings are called and led by the Chairman. To ensure an effective outcome, an agenda as well as material related to discussion or decision points are forwarded in advance to all Board members for each meeting. The Board is in charge of execution decisions made at the Board meetings.

**No 2.2.2 – Appropriate allocation of responsibilities in the Board**
The CO-RO Foundation complies with this recommendation. This is also described and regulated in the Foundations Rules of Procedure as well as the Foundation Charter. All assignments including those handled by the Chairman are all decided in Board meetings.

**No 2.3.1 – Assess and stipulate the competences of the Board**
The CO-RO Foundation complies with this recommendation. The Board will recurringly evaluate the competencies and qualifications needed in the Board – see also 2.3.2 og 2.3.3.

**No 2.3.2 – Selection and nomination of candidates for the Board**
The CO-RO Foundation complies with this recommendation. Every year, the Board members as well as the composition of the Board is evaluated. Nomination of Board members for election are prepared well in advance for approval by the acting Board of Directors.

**No 2.3.3 – Personal qualities and competences of the Board members**
The CO-RO Foundation complies with this recommendation. When evaluating the composition of the Board, such matters are taken into consideration weighing the need for introducing new talent against the need for continuity and the need for diversity in relation to, inter alia, commercial and grants experience, age and gender.

**No 2.3.4 – Information and characteristics of the Board members**
The CO-RO Foundation complies with this recommendation. Information can be found in the Annual Report as well as on the website co-ro.com

**No 2.3.5 – Majority of Board members are not also members of the Board of the Foundation's subsidiaries**
The CO-RO Foundation complies with this recommendation.

**No 2.4.1 – Independent Board members**
The CO-RO Foundation does not comply with this recommendation, as the wish to ensure continuity, experience and knowledge about the CO-RO Group is more important.

**No 2.5.1 – Appointment period**
The CO-RO Foundation does not comply with this recommendation. The Board have decided that the size and complexity of the Foundation does not warrant that formalized rules on this matter is needed. The Board have furthermore decided that a long seniority as well as relevant competencies are more important when choosing Board members. The Charters stipulates that all Board members are elected for a period of 1 year at a time.

**No 2.5.2 – Age limit for the Board members**
The CO-RO Foundation complies with this recommendation. All Board members are obliged to resign at the Annual General Meeting no later than the year they turn 75.

**+90 mDKK**

invested in 2022

**No 2.6.1 – Evaluation procedure**
The CO-RO Foundation complies with this recommendation. In advance on the Annual Board meeting, the Chairman will call each Board members for a performance evaluation as well as assessment of the overall Board composition, where the individual Board Members contribution to the Board is reviewed. A questionnaire is developed to facilitate a structured debate.

**No 2.6.2 – Yearly evaluation of management/administrator**
The CO-RO Foundation does not comply with this recommendation, as the Foundation does not have any employees or administrator.

**No 3.1.1 – Remuneration of members of the Board**
The CO-RO Foundation complies with this recommendation. The Board members receives a fixed annual remuneration. The remuneration is set in accordance with the work and responsibility that follows the position. The Remuneration policy is evaluated annually by the Foundation.

**No 3.1.2 – Information about remuneration for each Board member**
The CO-RO Foundation does not comply with this recommendation. The Board have decided to follow the Danish Financial Statements Act §98b, where upon the remuneration for the Total Board is listed as a total amount.

## DISTRIBUTION POLICY AND 2022 PAYOUTS

The Board in the CO-RO Foundation can choose to support initiatives within the following 5 areas. All distribution of funds must be for the benefit of companies with the CO-RO Group:

- Education: To Engage in Partnerships with internationally acclaimed Business Schools and Universities with the aim to strengthen the company's access to its future employees – the next generation of CO-RO leaders. The CO-RO Foundation is offering a full scholarship to IMD's one-year MBA program to a Danish national.
- Research & Development: To support research and development related to CO-RO's main business activities enabling an effective and sustainable industry.
- Donation of art works: To donate Danish Art Works to companies within the CO-RO Group.
- Green investments: To invest in sustainable initiatives
- Ib Berg Nielsen grants: to offer 2 yearly grants of 10 tDKK to apprentices and offices students.

In 2022 the CO-RO Foundation made 2 Ib Berg Nielsen grants as well as 1 IMD scholarship for a total value of aprox. 800 tDKK.

For the coming year, the Board have decided to keep the current distribution policy and mandate.

## 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.

**Warefare 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.

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 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 have discussed and approved the annual report of CO-ROs Fond 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 Foundation financial statements give a true and fair view of the financial position of the Group and the Foundation at 31 December 2022 and of the results of the Group's and the Foundation'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 Foundation's operations and financial matters and the results of the Group's and the Foundation's operations and financial position.

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

Frederikssund, 17 May 2023

**Board of Directors**

Preben König
(Chairman)

Michael Ring
(Vice chairman)

Annette Kobberup

# Independent auditor's report

To the Board of Directors of CO-ROs Fond

**Opinion**
We have audited the consolidated financial statements and the Foundation financial statements of CO-ROs Fond 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 Foundation, and a consolidated cash flow statement. The consolidated financial statements and the Foundation financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the Foundation financial statements give a true and fair view of the financial position of the Group and the Foundation at 31 December 2022 and of the results of the Group's and the Foundation'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 Foundation 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 Foundation 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 Foundation'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 Foundation 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 Foundation'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 Foundation'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 Foundation 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

| | | Foundation | | 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 | -1,164 | -869 | -163,247 | -143,316 |
| **Profit of primary operation** | | **-1,164** | **-869** | **2,605** | **35,672** |
| Other operating income | 4 | 0 | 0 | 7,526 | 1,931 |
| Other operating costs | 5 | 0 | 0 | 0 | 0 |
| **Profit before financial items** | 6 | **-1,164** | **-869** | **10,130** | **37,603** |
| Income from equity investments in Group companies | 7 | -103,535 | 33,727 | 0 | 0 |
| Financial income | 8 | 2,612 | 93,891 | 47,423 | 131,853 |
| Financial expenses | 9 | -6,534 | -18 | -177,699 | -20,534 |
| **Profit before tax** | | **-108,622** | **126,731** | **-120,145** | **148,923** |
| Tax on ordinary profit | 10 | 1,002 | -250 | 4,661 | -29,901 |
| **Profit for the year** | | **-107,620** | **126,481** | **-115,485** | **119,022** |
| The profit of the group is distributed as follows: | | | | | |
| Shareholders in CO-ROs Fond | | | | -107,620 | 126,481 |
| Minority interests | | | | -7,865 | -7,459 |
| **Profit for the year** | | | | **-115,485** | **119,022** |

# **Balance sheet** of 31 December

## Assets

| | | Foundation | | 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** | **817,839** | **870,532** |
| Investments in Group companies | | 1,817,870 | 1,915,780 | 0 | 0 |
| Other assets | | 0 | 0 | 10,224 | 17,505 |
| **Financial fixed assets** | 13 | **1,817,870** | **1,915,780** | **10,224** | **17,505** |
| **Non-current assets** | | **1,817,870** | **1,915,780** | **907,773** | **986,120** |
| 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 | | 2,612 | 4,006 | 0 | 0 |
| Company tax | | 435 | 0 | 19,806 | 19,406 |
| Deferred tax asset | 18 | 1,138 | 0 | 43,060 | 29,837 |
| Other amounts receivable | | 0 | 66,061 | 120,185 | 125,594 |
| Accruals and deferred expenses | 14 | 0 | 0 | 5,773 | 7,265 |
| **Receivables** | | **4,185** | **70,067** | **418,777** | **486,917** |
| **Securities** | | **72,120** | **65,173** | **802,751** | **955,219** |
| **Cash and cash equivalents** | 25 | **53,875** | **350** | **229,112** | **141,402** |
| **Current assets** | | **130,180** | **135,590** | **1,882,605** | **1,948,293** |
| **Assets** | | **1,948,050** | **2,051,371** | **2,790,378** | **2,934,413** |

# **Balance sheet** of 31 December

## Liabilities

| | | Foundation | | Group | |
|---|---|---|---|---|---|
| **(tDKK)** | **Note** | **2022** | **2021** | **2022** | **2021** |
| Share capital | | 92,378 | 92,378 | 92,378 | 92,378 |
| Reserve for net revaluation in accordance with the equity method | | 1,729,797 | 1,827,706 | 0 | 0 |
| Reserve for employee benefits | | 0 | 0 | -927 | -1,875 |
| Distribution pool | | 9,187 | 9,974 | 9,187 | 9,974 |
| Currency translation reserve | | 0 | 0 | -8,077 | -12,755 |
| Transferred profit | | 116,155 | 120,239 | 1,854,956 | 1,962,575 |
| **CO-ROs Fond share of the equity capital** | | **1,947,517** | **2,050,297** | **1,947,517** | **2,050,297** |
| Minority interests | 16 | 0 | 0 | 247,527 | 276,670 |
| **Equity capital total** | 15 | **1,947,517** | **2,050,297** | **2,195,044** | **2,326,967** |
| Provision for pensions and similar | 17 | 0 | 0 | 24,766 | 25,008 |
| Provision for deferred tax | 18 | 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 |
| Company tax | | 0 | 219 | 0 | 21,081 |
| Other debts | | 533 | 855 | 218,532 | 248,400 |
| **Current liabilities** | | **533** | **1,074** | **500,647** | **524,383** |
| **Liabilities total** | | **533** | **1,074** | **595,334** | **607,446** |
| **Equity and liabilities** | | **1,948,050** | **2,051,371** | **2,790,378** | **2,934,413** |

| | |
|---|---|
| Allocation of the profit | 15 |
| Contingencies and other financial obligations | 19 |
| Mortagages and collateral | 20 |
| Related parties | 21 |
| Remuneration of the auditor elected by the general assembly | 22 |
| Fair Value | 26 |
| Members of the CO-ROs Fond Board | 27 |

# Statement of changes in equity
## of 31 December

### Group

| (tDKK) | Share capital | Transferred profit incl. Revaluation reserves | Currency translation reserve | Reserve employee benefits | Distribution pool | In all | Minority interests | Equity capital in total |
|---|---|---|---|---|---|---|---|---|
| **Equity at 1/1 2022** | **92,378** | **1,836,094** | **-36,485** | **0** | **10,000** | **1,901,987** | **300,910** | **2,202,897** |
| New entries and disposals | 0 | 0 | 0 | 0 | 0 | 0 | 205 | 205 |
| Rate Adjustment etc., for Group companies | 0 | 0 | 23,729 | 0 | 0 | 23,729 | 24,751 | 48,480 |
| Allocation of the profit | 0 | 126,481 | 0 | 0 | 0 | 126,481 | -7,459 | 119,022 |
| Actuarial gain or loss, employee benefits (after tax) | 0 | 0 | 0 | -1,875 | 0 | -1,875 | 0 | -1,875 |
| Dividend paid | 0 | 0 | 0 | 0 | 0 | 0 | -41,737 | -41,737 |
| Distributions of grants | 0 | 0 | 0 | 0 | -26 | -26 | 0 | -26 |
| **Equity at 1/1 2022** | **92,378** | **1,962,575** | **-12,755** | **-1,875** | **9,974** | **2,050,297** | **276,670** | **2,326,967** |
| New entries and disposals | 0 | 0 | 0 | 0 | 0 | 0 | 27,776 | 27,776 |
| Rate Adjustment etc., for Group companies | 0 | 0 | 4,678 | 0 | 0 | 4,678 | -7,066 | -2.388 |
| Allocation of the profit | 0 | -107,619 | 0 | 0 | 0 | -107,619 | -7,865 | -115,484 |
| Actuarial gain or loss, employee benefits (after tax) | 0 | 0 | 0 | 948 | 0 | 948 | 948 | 1,895 |
| Dividend paid | 0 | 0 | 0 | 0 | 0 | 0 | -42,935 | -42,935 |
| Distributions of grants | 0 | 0 | 0 | 0 | -787 | -787 | 0 | -787 |
| **Equity at 31/12 2022** | **92,378** | **1,854,956** | **-8,077** | **-927** | **9,187** | **1,947,517** | **247,527** | **2,195,044** |

# Statement of changes in equity
## of 31 December

### Foundation

| (tDKK) | Share capital | Reserve for net revaluation in accordance with the equity method | Distribution pool | Transferred profit | In all |
|---|---|---|---|---|---|
| **Equity at 1/1 2021** | **92,378** | **1,772,125** | **10,000** | **27,485** | **1,901,988** |
| Rate Adjustment etc., for Group companies | 0 | 23,729 | 0 | 0 | 23,729 |
| Allocation of the profit | 0 | 33,727 | 0 | 92,754 | 126,481 |
| Actuarial gain or loss, employee benefits | 0 | -1,875 | 0 | 0 | -1,875 |
| Distributions of grants | 0 | 0 | -26 | 0 | -26 |
| **Equity at 1/1 2022** | **92,378** | **1,827,706** | **9,974** | **120,239** | **2,050,297** |
| Rate Adjustment etc., for Group companies | 0 | 4,678 | 0 | 0 | 4,678 |
| Allocation of the profit | 0 | -103,535 | 0 | -4,084 | -107,619 |
| Actuarial gain or loss, employee benefits | 0 | 948 | 0 | 0 | 948 |
| Distributions of grants | 0 | 0 | -787 | 0 | -787 |
| **Equity at 31/12 2022** | **92,378** | **1,729,797** | **9,187** | **116,155** | **1,947,517** |

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

| (tDKK) | Note | 2022 | 2021 |
|---|---|---|---|
| Profit before net financials | | 10,130 | 37,603 |
| Amortisation/depreciation charges | | 131,554 | 138,925 |
| Other adjustments of non-cash operating items [1] | | 5,824 | -6,653 |
| **Cash generated from operations before changes in working capital** | | **147,508** | **169,875** |
| Changes in working capital | 23 | -50,101 | -166,243 |
| **Cash generated from operations** | | **97,407** | **3,632** |
| Financial income | | 46,271 | 117,878 |
| Financial expenses | | -48,291 | -17,673 |
| Income tax paid | | -4.886 | -28,634 |
| **Cash flows from operating activities** | | **90,501** | **75,203** |
| 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 | | -102,272 | 0 |
| Gains on securities | | 0 | 11,378 |
| **Cash flows from investing activities** | | **-197,550** | **-98,295** |
| Acquisition of subsidiaries and capital injection | 24 | 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** | | **-109,811** | **-37,711** |
| Cash and cash equivalents, beginning of year | | 1,025,441 | 1,055,796 |
| Exchange rates cash and cash equivalents, beginning of year | | 5,205 | 7,356 |
| **Cash and cash equivalents net, year-end** | 25 | **920,836** | **1,025,441** |

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-ROs Fond 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 with 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-ROs Fond (the Foundation) and subsidiaries controlled by CO-ROs Fond. 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 Foundation 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 Foundation'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

# Notes

## 1 Accounting policies (continued)

and losses on loans, 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 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, received inheritance etc.

**Tax for the year**
Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised 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.

**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.

# Notes

## 1 Accounting policies (continued)

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.

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

# Notes

## 1 Accounting policies (continued)

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 fixed assets include long-term leasing rights on land abroad. These shall be measured by the first inclusion at cost price and shall be amortised 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.

**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.

**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.

# Notes

## 1 Accounting policies (continued)

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.

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.

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.

# Notes

## 1 Accounting policies (continued)

**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

| | Foundation | | 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

| | Foundation | | 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** | **343,582** | **331,380** |
| 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 board of directors in 2022 is 484 tDKK (2021: 484 tDKK).

## 4 Other operating income

| | Foundation | | Group | |
|---|---|---|---|---|
| **(tDKK)** | **2022** | **2021** | **2022** | **2021** |
| Profit on the sale of fixed assets | 0 | 0 | 162 | 0 |
| Other operating income | 0 | 0 | 7,364 | 1,932 |
| | **0** | **0** | **7,526** | **1,932** |

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

## 5 Other operating costs

| | Foundation | | 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** |

# Notes

## 6 Special items

The CO-RO Foundation was made benefficiary for the estate of the now late Ib Berg Nilsen in 2021, a former chairman and close acquaintance of CO-RO's founder, Jep Petersen. The inheritance amounts to 92 mDKK, and is expected to be fully settled in 2023.

| | Foundation | | Group | |
|---|---|---|---|---|
| **(tDKK)** | **2022** | **2021** | **2022** | **2021** |
| Salary costs related to resigned employees | 0 | 0 | 290 | 0 |
| Financial income, Inheritance | 72 | 91,845 | 72 | 91,845 |
| | **720** | **91,845** | **362** | **91,845** |

## 7 Income from investments in Group companies

| | Foundation | | Group | |
|---|---|---|---|---|
| **(tDKK)** | **2022** | **2021** | **2022** | **2021** |
| Share from profit in Group companies | -92,204 | 37,953 | 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 |
| | **-103,535** | **33,727** | **0** | **0** |

## 8 Financial income

| | Foundation | | Group | |
|---|---|---|---|---|
| **(tDKK)** | **2022** | **2021** | **2022** | **2021** |
| Group companies | 106 | 0 | 0 | 0 |
| Inheritance [1)] | 72 | 91,845 | 72 | 91.845 |
| Other financial income | 2,434 | 2,046 | 47,351 | 40.008 |
| | **2,612** | **93,891** | **47,423** | **131,853** |

[1)] See note 6 special items.

## 9 Financial expenses

| | Foundation | | Group | |
|---|---|---|---|---|
| **(tDKK)** | **2022** | **2021** | **2022** | **2021** |
| Group companies | 0 | 0 | 0 | 0 |
| Other financial expenses | 6,534 | 18 | 177,699 | 20,534 |
| | **6,534** | **18** | **177,699** | **20,534** |

# Notes

## 10 Tax on ordinary profit

| | Foundation | | Group | |
|---|---|---|---|---|
| **(tDKK)** | **2022** | **2021** | **2022** | **2021** |
| Tax on profit for the year | 0 | 250 | 8,530 | 25,348 |
| Adjustment of deferred tax | -1,138 | 0 | -23,309 | -21 |
| Adjustment to tax relating to previous years | 136 | 0 | 3,554 | 640 |
| Withholding taxes on foreign activities | 0 | 0 | 6,564 | 3,944 |
| | **-1,002** | **250** | **-4,661** | **29,901** |

## 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 |
| Disposals for the year | 0 | 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 depreciation | -14,945 | -7,582 |
| Accumulated depreciation, divested assets | 0 | 0 |
| **Depreciation 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 |
|---|---|
| **Foundation** | |
| Cost price 1/1 2022 | 88,074 |
| New entries for the year | 0 |
| Disposals for the year | 0 |
| **Cost price 31/12 2022** | **88,074** |
| Revaluation 1/1 2022 | 1,827,706 |
| Offset in internal profit after tax on inventories | -3,749 |
| Rate adjustment at closing rate, etc. | 4,678 |
| Share of profit for the year | -92,204 |
| Goodwill depreciation | -7,582 |
| Actuarial gain or loss, employee benefits | 948 |
| **Revaluation 31/12 2022** | **1,729,796** |
| **Accounting value 31/12 2022** | **1,817,870** |

## 13 Financial fixed assets (continued)

**Group companies:**

| Company name | Registered address | Ownership share |
|---|---|---|
| CO-RO Holding A/S | Denmark | 100% |
| 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

| | Foundation | | 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 Allocation of the Profit

| | Foundation | |
|---|---|---|
| (tDKK) | 2022 | 2021 |
| Reserve for net revaluation in accordance with the equity method | -103,535 | 33,727 |
| Transferred profit | -4,085 | 92,754 |
| | **-107,620** | **126,481** |

## 16 Minority interests

| | Foundation | | Group | |
|---|---|---|---|---|
| (tDKK) | 2022 | 2021 | 2022 | 2021 |
| Minority interests 1/1 2022 | 0 | 0 | 276,670 | 300,910 |
| Disposals of 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** |

## 17 Provision for pensions and similar

| | Foundation | | 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 | | | -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.

| | Foundation | | 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 |

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

| | Foundation | | 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** |

# Notes

## 18 Provision for deferred tax

| | Foundation | | 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 | -1,138 | 0 | -13,114 | 2,321 |
| | **-1,138** | **0** | **-20,777** | **-7,024** |
| Deferred tax breakdown: | | | | |
| Intangible assets | 0 | 0 | 7,765 | 10,030 |
| Tangible assets | 0 | 0 | 15,502 | 2,854 |
| Inventories | 0 | 0 | 0 | 0 |
| Accruals | 0 | 0 | -601 | 171 |
| Unused tax losses and credits | -1,138 | 0 | -22,307 | 0 |
| Internal profit | 0 | 0 | -21,136 | -20,080 |
| | **-1,138** | **0** | **-20,777** | **-7,024** |
| Deferred tax is recognized in the statement as: | | | | |
| Assets | -1,138 | 0 | -43,060 | -29,837 |
| Liabilities | 0 | 0 | 22,283 | 22,813 |
| | **-1,138** | **0** | **-20,777** | **-7,024** |

The Group has on 31 December 2022 included a deferred tax asset totalling 43 mDKK. The tax asset mainly 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.

## 19 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**
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.

| | Foundation | | 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

## 20 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 Egyptian customer Portsaid Modern Trade Development Co. - Soudanco S.A.E. - equivalent to 0,8 mDKK.

## 21 Related parties

**Transactions with related parties**

| | Foundation | | Group | |
|---|---|---|---|---|
| **(tDKK)** | **2022** | **2021** | **2022** | **2021** |
| The purchase of legal services from a member of the board of directors | 163 | 350 | 0 | 0 |
| Interest income Group companies | 106 | 0 | 0 | 0 |
| Receivables Group companies | 2,612 | 4,006 | 0 | 0 |
| | **4,297** | 5,371 | **0** | **0** |

Remuneration to Management is disclosed in note 3.

## 22 Remuneration to auditor elected at the general assembly

| | Foundation | | Group | |
|---|---|---|---|---|
| **(tDKK)** | **2022** | **2021** | **2022** | **2021** |
| Auditor's remuneration EY | 39 | 14 | 2,275 | 1,770 |
| Other services | 0 | 0 | 196 | 85 |
| Tax consulting | 0 | 0 | 986 | 834 |
| | **39** | **14** | **3,458** | **2,689** |

## 23 Changes in working capital

| | Group | |
|---|---|---|
| **(tDKK)** | **2022** | **2021** |
| Change in inventories | -71,454 | -87,265 |
| Change in receivables | 77,239 | -144,823 |
| Change in trade and other payables | -55,886 | 65,845 |
| | **-50,101** | **-166,243** |

## 24 Acquisition of subsidiaries capital injection

| | Group | |
|---|---|---|
| **(tDKK)** | **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** |

# Notes

## 25 Cash and cash equivalents

| | Group | |
|---|---|---|
| **(tDKK)** | **2022** | **2021** |
| Cash and cash equivalents at 31/12 2022 comprise: | | |
| Securities with terms to maturity of less than three months | 802,751 | 955,219 |
| Cash | 229,112 | 141,402 |
| Revolving credit facility | -111,027 | -71,180 |
| | **920,836** | **1,025,441** |

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

## 26 Fair Value

| | Foundation | | Group | |
|---|---|---|---|---|
| **(tDKK)** | **2022** | **2021** | **2022** | **2021** |
| **Bonds and Mutual funds** | | | | |
| Changes in fair value recongized in the P&L | -4,089 | 2,047 | -90,361 | 10,284 |
| Fair value of assets or liablities as of 31/12 2022 | 72,120 | 65,173 | 802,751 | 955,233 |
| | **68,031** | **67,220** | **712,390** | **965,517** |

Fair value of level 1.

# Notes

## 27 Members of the CO-RO Foundation Board

**Michael Ring**
Born on December 29 1959
Owner and CEO of Stelton A/S
Dependent

Vice-chairman since 2018
Member of the Board since January 1, 2008

Education
MBA from IMD, Lausanne. Special competencies within management and finance

Board positions
Ring Holding ApS (incl. group companies)
CO-RO A/S
CO-RO Holding A/S
Montana Furniture A/S
Legatum Holding ApS
Klarlund A/S

**Preben Edvard König**
Born on july 14 1950
Partner in König Law Firm
Dependent

Chairman since 2018
Member of the board since December 9 2005

Education
Candidate of Law with a right to appear before the Supreme Court. Special competencies within legal knowledge and expertise.

Board positions
Select Sport A/S
Selected Sports Invest A/S
Wall Holding ApS
Nordenergie A/S
Vendsyssel Seafood A/S
Precision Technic Def. A/S
Ring Master A/S
Tandlæge Peter Eriksen ApS
VBT A/S
Invest 1998 A/S
J. Pihl & Co. Holding A/S
City Renovation A/S
Scancontact A/S

**Annette Kobberup Stougaard**
Born on June 5 1956
Dependent

Member of the board since December 9 2005

Education
Master of Arts. Special competencies within Human Resources and Management.

Board positions
Frederikssund Erhverv
Park Theater in Frederikssund

# Company details

**Name and adress mv.**
CO-ROs Fond
Holmensvej 11
3600 Frederikssund

| | |
|---|---|
| CVR no.: | 26 88 05 99 |
| Municipality of registred office: | Frederikssund |
| Financial year: | 1 January - 31 December |

**Board of directors**
Preben Edvard König (formand)
Michael Ring (næstformand)
Annette Kobberup Stougaard

**Revision**
EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
2000 Frederiksberg

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Holmensvej 11
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www.co-ro.com

CVR no. 26 88 05 99