CHRISTENSEN
KJÆRULFF
PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB
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Copenhagen Group A/S

Skagerrakvej 4, 2150 Nordhavn

Company reg. no. 28 69 89 41

Annual report

1 January - 31 December 2023

The annual report has been submitted and approved by the general meeting on the 12 July 2024.

Bjørn Damgaard Mortensen
Chairman of the meeting

Contents

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the board of directors and the managing director have presented the annual report of Copenhagen Group A/S for the financial year 1 January - 31 December 2023.

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

We consider the accounting policies appropriate and, in our opinion, the consolidated financial statements and the financial statements provide a fair presentation of the assets, equity and liabilities, and the financial position, consolidated and for the company, respectively, at 31 December 2023, and of the result of the activities and cash flows, consolidated and of the company, respectively and cash flows, during the financial year 1 January – 31 December 2023.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Copenhagen, 11 July 2024

Managing Director

Jeppe Handwerk

Board of directors

Bjørn Damgaard Mortensen	Jeppe Handwerk	Meta Birgitte Zachau Handwerk

Independent auditor's report

To the Shareholder of Copenhagen Group A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Copenhagen Group A/S for the financial year 1 January to 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, statement of cash flows, notes and a summary of significant accounting policies for both the Group the Parent Company. The consolidated financial statements and the parent company financial statements are prepared under 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 2023, and of the results of the Group and the Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent company 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 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 consolidated financial statements and the parent company 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 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 consolidated financial statements and the parent company 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company 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 Management's Review

Management is responsible for Management's Review.

Our opinion on the consolidated financial statements and the parent company financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent company financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the consolidated financial statements and the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 11 July 2024

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Elan Schapiro
State Authorised Public Accountant
mne33765

Company information

The company	Copenhagen Group A/S Skagerrakvej 4 2150 Nordhavn	
	Company reg. no.	28 69 89 41
	Established:	10 May 2005
	Domicile:	Copenhagen
	Financial year:	1 January - 31 December
Board of directors	Bjørn Damgaard Mortensen Jeppe Handwerk Meta Birgitte Zachau Handwerk	
Managing Director	Jeppe Handwerk	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Østbanegade 123 2100 København Ø	
Parent company	Handwerk Holding A/S	
Subsidiaries	Copenhagen Contractors A/S, Copenhagen Copenhagen Election A/S, Copenhagen Copenhagen Global A/S, Copenhagen Copenhagen Arctic A/S, Copenhagen	

Consolidated financial highlights

DKK in thousands.	2023	2022	2021	2020	2019
Income statement:					
Revenue	89.444	487.282	2.772.604	111.492	184.814
Gross profit	3.076	174.829	1.683.986	29.563	20.714
Profit from operating activities	-31.925	-71.152	915.134	14.117	5.239
Net financials	113	4.214	475	-2.280	-833
Net profit or loss for the year	-25.052	-52.570	713.949	8.947	2.468
Statement of financial position:					
Balance sheet total	199.837	228.311	707.964	141.760	42.834
Investments in property, plant and equipment	1.340	43.822	12.671	529	848
Equity	162.267	187.319	239.889	25.940	16.544
Cash flows:					
Operating activities	-39.686	-114.373	778.693	1.062	15.715
Investing activities	1.345	-53.065	-19.084	-13.800	-956
Financing activities	1.543	85.251	-644.296	12.575	-10.035
Total cash flows	-36.798	-82.187	115.313	-162	4.724
Employees:					
Average number of full-time employees	46	391	1.123	26	32
Key figures in %:					
Gross margin ratio	3,4	35,9	60,7	26,5	11,2
Profit margin (EBIT-margin)	-35,7	-14,6	33,0	12,7	2,8
Solvency ratio	81,2	82,0	33,9	18,3	38,6
Return on equity	-14,3	-24,6	537,1	42,1	16,1

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.

Description of key activities of the company

Copenhagen Group A/S is the parent company within the group comprising the following subsidiaries:

- Copenhagen Arctic A/S
- Copenhagen Contractors A/S
- Copenhagen Election A/S
- Copenhagen Global A/S

All subsidiary companies manage projects and contracts awarded through direct tendering for the supply of products and services to international organisations, national governments, and agencies.

Development in activities and financial matters

The revenue for the group for the year totals DKK 89,4 million against DKK 487,3 million last year. Loss from ordinary activities after tax totals DKK -25,1 million against DKK -52,6 million last year.

Revenue from Covid-19 antigen testing ceased after first quarter 2022, which is why Group revenue decreased from DKK 487,3 million in 2022 to DKK 89,4 million in 2023.

According to the 2022 annual report, the company expected a loss from ordinary activities after tax for 2023 in the region of DKK 20-30 million. In lieu of this, the management therefore considers the net loss of DKK 25,1 million for the year as expected.

Financial risks and the use of financial instruments

Proper management of risks is extremely important to the group, since the corporate set-up and customer database do not lend the group much room for manoeuvring with respect to social acceptability and financial credibility.

Before bidding for new potential contracts, the group conducts an internal assessment of the customer and scope of work to ensure it meets its obligations to UN Global Compact to which the group is a long-standing signatory.

The group's suppliers undergo the same level of scrutiny with respect to ISO 9001 on quality, ISO 14001 on environment, and ISO 45001 on occupational health and safety.

To hedge the financial risks, the group aims to quote customers in the same currency as that quoted to us by its suppliers. The group's business transactions are, for the most part, also restricted to DKK, EUR and USD; hence, the biggest risk relates to fluctuations in the USD exchange rate towards EUR and DKK.

Most of the contracts are with stable national governments and reputable international organizations; hence, a loss on debtors or a long delay in payments by a customer is rarely a problem.

Expected developments

The group has on selected areas reassessed its strategy and will continue to focus on projects and contracts awarded through direct tendering for the supply of products and services to international organisations, national governments, and agencies. In addition, the group will continue to provide overall healthcare services to private individuals, businesses and public institutions.

The financial expectations for the group will be primarily affected by the timing and materialisation of large tenders to both public and private organisations.

Overall, the group expects to deliver a net result between DKK 5-10 million for 2024 – with a revenue in the range of DKK 150-200 million.

In 2023, both Copenhagen Global A/S and Copenhagen Contractors A/S continued to tender for long-term agreements with national governments and international organisations.

During 2023, Copenhagen Global A/S tendered for several large contracts for the supply of various boats and vehicles, and Copenhagen Contractors A/S tendered for a large contract for the construction of a military camp and a renewal of the long-term framework agreement on wash-down and disinfection services for the Danish Defence, which we hope will materialise in 2024/25 thus positively improving the revenue stream for both subsidiary companies.

The group continues to expand its existing goods and service portfolio and explore new business opportunities globally to best support its customers worldwide.

Events occurring after the end of the financial year

No events have occurred subsequent after the end of the fiscal year 2023, which could be of significant detriment to Copenhagen Group A/S' financial position.

Corporate social responsibility report pursuant to section 99 a of the Danish Financial Statements Act

Copenhagen Group A/S has been a signatory to the UN Global Compact on Sustainable Development Goals since 2009 and strives to meet current legislation and act responsibly in relation to the company's stakeholders and surrounding environment and society.

Copenhagen Group A/S is also certified according to ISO 9001:2015 on quality, ISO 14001:2015 on environment, and ISO 45001:2018 on occupational health and safety.

To meet current and future national and EU reporting requirements on material environmental, social and governance (ESG) issues, Copenhagen Group A/S has engaged an external consultant to further develop its ESG reporting framework within the next few years.

Business Model

Copenhagen Group A/S manages projects and contracts awarded through direct tendering for the supply of products and services to international organisations, national governments and agencies.

Copenhagen Group A/S represents and promotes Original Equipment Manufacturers (OEM), manages bids and undertakes after sales services globally on behalf of OEMs.

Copenhagen Group A/S' business covers the following five areas:

- Camp Services
- Defence Support Services
- Specialised Vehicles, Boats, Engines and Equipment
- Electoral Material
- Public and Corporate Health Services

- Humanitarian Assistance
- Defence
- Emergency Management Services
- Foreign Affairs Services
- Public and Corporate Health Services

Environmental issues – including climate change

Copenhagen Group A/S cares for the environment and strives to reduce the environmental and climate change impact of its operations and business activities through pollution prevention and by minimising the use of natural resources and fossil fuels to the extent possible.

Copenhagen Group A/S' ISO certified environmental management system helps to manage and reduce local environmental impacts, e.g. to reduce its carbon footprint the company seeks to optimise own operations and aims to ship most goods by sea instead of air. Additionally, to help customers best protect the environment, Copenhagen Group A/S and its business partners collaborate on developing "green" solutions and managing hazardous material.

Employee Relations and Human Rights

Copenhagen Group A/S always aims to take good care of its employees and maintains a significant focus on giving its employees the chance to further develop their skills set and taking on new responsibilities.

Copenhagen Group A/S conducts its operations and business activities in a manner that protects the health and safety of the employees working under its control and supervision.

Copenhagen Group A/S' ISO certified occupational health and safety management system helps to manage and foster a good working environment, both physically and psychologically. By way of example, the company offers equal opportunities for all employees irrespective of gender or ethnicity, flexible working hours and an IT set-up to accommodate remote work to aide and respect employees' family life. The company's aim is always zero accidents by means of establishing a strong safety and security culture and for the past five years, there has not been any fatal incidents at work or lost-time injuries.

Copenhagen Group A/S respects internationally recognised human rights and the political, cultural and religious customs of the countries in which it works. The company also works to ensure that it does not contribute to human rights violations and seeks to empower women and girls to participate in and benefit from the development of their societies and communities.

Anti-Corruption and Bribery

Copenhagen Group A/S pursues its business with integrity and works against all forms of corruption in accordance with the law and the fundamental values of the company. The company commits to working effectively towards the elimination of facilitation payments in line with relevant international standards and exercises constant care to prevent breaches of security and cooperates actively and openly with pertinent authorities to this end.

Copenhagen Group A/S' Code of Conduct establishes the general rules to be observed in order to meet the company's ethical standards for business behaviour and is an integral part of the Business Integrity Management System. Copenhagen Group A/S practices an "open book" policy with both business partners and customers, avoids political contributions and only gives or accepts gifts for business purposes and only up to reasonable levels - and never during the process of competitive bid or tender exercise.

As part of the development of an ESG action plan towards 2025, the company will assess governance-related risks, impacts and opportunities associated with its business and use these insights to review its policies and processes and consider relevant KPIs and targets.

Target figures and policies for the underrepresented gender

Equal opportunities for all employees irrespective of gender or ethnicity continue to be a focus area of Copenhagen Group A/S.

Copenhagen Group A/S hires, remunerates and promotes employees based on skills, competences and performance – not according to gender, religion or race but in accordance with the UN's Sustainable Development Goal # 5. This applies to all levels of the organization and by year-end 2023, the gender distribution among the workforce representing 6 full-time employees had a 67 % female representation. Copenhagen Group A/S is therefore considered to have an equal gender distribution in the workforce on the balance date.

At management level, which includes the CEO, CFO and managing director, Copenhagen Group A/S had an equal gender distribution of 33.3% by year-end 2023, as one woman was represented in top management. Similarly, the company had an equal gender distribution at among its Board of Directors year-end 2023, where one of the three members of the board is a woman. Copenhagen Group A/S is therefore considered to have an equal gender distribution on the management level and in the board on the balance date.

Report on the company's policy on data ethics according to section 99 d of the Danish Financial Statements Act

The extent of the digitalisation and data quantity is developing rapidly, which is making demands on an unambiguous approach to the processing and protection of data. The management requests, that Copenhagen Group A/S acts in a responsible manner, also in this connection, and at the same time increases the transparency in relation to customers, employees, and business partners.

In order to comply with this approach, a policy on data ethics is not yet finalised, but in the process of being prepared and is going to be implemented during 2024/25.

Income statement 1 January - 31 December

All amounts in DKK.

Note		Group 2023	Group 2022	Parent 2023	Parent 2022
2	Revenue	89.444.141	487.282.057	8.000.002	18.537.183
	Other operating income	638.959	607.484	59.549	0
	Costs of raw materials and consumables	-62.207.986	-195.675.832	0	-11.903
	Other external costs	-24.799.208	-117.384.434	-10.848.592	-17.763.982
	Gross profit	**3.075.906**	**174.829.275**	**-2.789.041**	**761.298**
3	Staff costs	-26.914.816	-181.717.115	-5.689.255	-8.473.423
4	Depreciation, amortisation, and impairment	-8.048.635	-9.499.017	-1.213.993	-1.447.474
	Impairment of current assets exceeding usual impairment	0	-53.515.505	0	0
	Other operating expenses	-37.866	-1.249.846	0	0
	Operating profit	**-31.925.411**	**-71.152.208**	**-9.692.289**	**-9.159.599**
	Income from equity investments in subsidiaries	0	0	-16.543.201	-44.583.995
	Other financial income from group enterprises	632.118	3.244.611	1.566.109	3.906.622
	Other financial income	507.566	2.848.968	284.772	1.122.850
5	Other financial costs	-1.027.166	-1.879.828	-2.818.039	-5.814.746
	Pre-tax net profit or loss	**-31.812.893**	**-66.938.457**	**-27.202.648**	**-54.528.868**
6	Tax on net profit or loss for the year	6.760.922	14.368.748	2.150.680	1.959.159
7	**Net profit or loss for the year**	**-25.051.971**	**-52.569.709**	**-25.051.968**	**-52.569.709**

Balance sheet at 31 December

All amounts in DKK.

Assets

Note		Group 2023	Group 2022	Parent 2023	Parent 2022
	Non-current assets				
8	Completed development projects, including patents and similar rights arising from development projects	5.757.999	0	0	0
9	Acquired concessions, patents, licenses, trademarks, and similar rights	568.533	716.325	0	0
10	Development projects in progress and prepayments for intangible assets	0	11.050.405	0	0
	Total intangible assets	6.326.532	11.766.730	0	0
11	Property	1.570.754	1.596.086	1.570.754	1.596.086
12	Plant and machinery	342.389	476.839	0	0
13	Other fixtures and fittings, tools and equipment	41.072.878	42.603.238	12.946.003	13.884.665
	Total property, plant, and equipment	42.986.021	44.676.163	14.516.757	15.480.751
14	Investments in group enterprises	0	0	115.022.908	231.566.109
15	Other financial investments	3.351.845	3.351.845	3.351.845	3.351.845
16	Other receivables	5.776.348	8.477.721	5.776.348	8.477.721
17	Deposits	1.008.210	2.692.959	728.543	541.874
	Total investments	10.136.403	14.522.525	124.879.644	243.937.549
	Total non-current assets	**59.448.956**	**70.965.418**	**139.396.401**	**259.418.300**

Balance sheet at 31 December

All amounts in DKK.

Assets

Note		Group 2023	Group 2022	Parent 2023	Parent 2022
	Current assets				
	Raw materials and consumables	1.232.876	1.232.876	0	0
	Manufactured goods and goods for resale	20.295.709	14.010.820	0	0
	Prepayments for goods	23.445.202	16.461.517	0	0
	Total inventories	44.973.787	31.705.213	0	0
	Trade receivables	56.976.980	6.592.227	0	241.083
	Receivables from group enterprises	6.699.974	40.733.503	81.212.663	81.174.206
18	Deferred tax assets	9.592.863	14.715.964	1.238.824	508.044
	Income tax receivables	0	0	619	0
	Tax receivables from group enterprises	11.884.023	0	1.419.281	1.550.272
	Other receivables	4.852.142	21.025.772	423.680	219.743
19	Prepayments and accrued income	218.177	51.468	69.373	51.468
	Total receivables	90.224.159	83.118.934	84.364.440	83.744.816
	Cash on hand and demand deposits	5.190.299	42.521.359	2.402.495	9.168.355
	Total current assets	**140.388.245**	**157.345.506**	**86.766.935**	**92.913.171**
	Total assets	**199.837.201**	**228.310.924**	**226.163.336**	**352.331.471**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	Group 2023	Group 2022	Parent 2023	Parent 2022
	Equity				
20	Contributed capital	3.000.000	3.000.000	3.000.000	3.000.000
	Reserve for net revaluation according to the equity method	0	0	52.808.394	189.351.595
	Retained earnings	59.267.468	184.319.436	6.459.073	-5.032.160
	Proposed dividend for the financial year	100.000.000	0	100.000.000	0
	Total equity	**162.267.468**	**187.319.436**	**162.267.467**	**187.319.435**
	Provisions				
21	Other provisions	0	5.427.334	0	0
	Total provisions	**0**	**5.427.334**	**0**	**0**
	Liabilities other than provisions				
22	Mortgage loans	0	808.285	0	808.285
	Total long term liabilities other than provisions	0	808.285	0	808.285
	Current portion of long term payables	0	46.956	0	46.956
	Bank loans	296.163	599.094	186.571	143.528
	Prepayments received from customers	1.000.000	1.856.604	0	0
	Trade payables	24.516.865	9.051.929	419.274	1.152.972
	Payables to group enterprises	0	0	62.519.621	159.997.399
	Income tax payable to group enterprises	0	865.648	0	0
	Other payables	11.756.705	22.335.638	770.403	2.862.896
	Total short term liabilities other than provisions	37.569.733	34.755.869	63.895.869	164.203.751
	Total liabilities other than provisions	**37.569.733**	**35.564.154**	**63.895.869**	**165.012.036**
	Total equity and liabilities	**199.837.201**	**228.310.924**	**226.163.336**	**352.331.471**

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities

Note	
1	**Fees for auditor**
23	**Charges and security**
24	**Contingencies**
25	**Related parties**

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for net revaluation according to the equity method	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2022	3.000.000	0	236.889.144	0	239.889.144
Share of profit or loss	0	0	-52.569.708	0	-52.569.708
Equity 1 January 2023	3.000.000	0	184.319.436	0	187.319.436
Share of profit or loss	0	0	-125.051.968	100.000.000	-25.051.968
Adopted dividend	0	0	120.000.000	0	120.000.000
Distributed dividend	0	0	-120.000.000	0	-120.000.000
	3.000.000	**0**	**59.267.468**	**100.000.000**	**162.267.468**

Statement of changes in equity of the parent

All amounts in DKK.

	Contributed capital	Reserve for net revalua-tion according to the eq-uity method	Retained earnings	Proposed dividend for the financial year	T
Equity 1 January 2022	3.000.000	231.719.291	5.169.853	0	239.889.1
Share of profit or loss	0	-43.068.541	-9.501.168	0	-52.569.7
Transfer	0	700.845	-700.845	0	
Equity 1 January 2023	3.000.000	189.351.595	-5.032.160	0	187.319.4
Share of profit or loss	0	-16.543.201	-108.508.767	100.000.000	-25.051.9
Distributed dividend	0	-120.000.000	120.000.000	0	
	3.000.000	**52.808.394**	**6.459.073**	**100.000.000**	**162.267.4**

Statement of cash flows 1 January - 31 December

All amounts in DKK.

Note		Group 2023	Group 2022	Parent 2023	Parent 2022
	Net profit or loss for the year	-25.051.971	-52.569.709	-25.051.968	-52.569.709
26	Adjustments	-4.005.051	-4.156.148	16.653.672	44.857.584
27	Change in working capital	-9.583.478	140.179.219	-100.323.184	4.249.892
	Cash flows from operating activities before net financials	-38.640.500	83.453.362	-108.721.480	-3.462.233
	Interest received and similar amounts	2.479.506	4.650.801	148.135	5.029.472
	Interest paid, etc.	-1.108.895	-1.555.869	-53.167	-5.490.789
	Cash flows from ordinary activities	-37.269.889	86.548.294	-108.626.512	-3.923.550
	Income tax paid	-2.415.920	-200.921.593	0	1.029.094
	Cash flows from operating activities	**-39.685.809**	**-114.373.299**	**-108.626.512**	**-2.894.456**
	Purchase of intangible assets	-643.425	-7.105.459	0	0
	Purchase of property, plant, and equipment	-1.174.872	-43.821.752	-250.000	-15.100.672
	Sale of property, plant, and equipment	652.911	1.447.002	-79.999	0
	Purchase of fixed asset investments	-479.807	-4.576.524	-186.669	-3.365.486
	Sale of fixed asset investments	2.164.556	0	0	0
	Purchase of deposits	0	991.533	0	0
	Other cash flows from (spent on) investment activities	825.541	0	825.541	0
	Cash flows from investment activities	**1.344.904**	**-53.065.200**	**308.873**	**-18.466.158**
	Repayments of long-term payables	-855.241	-47.089	-855.241	-47.089
	Dividends distributed	0	0	100.000.000	0
	Changes in short-term bank loans	-302.931	-504.494	43.043	-239.954
	Other cash flows from financing activities	2.701.372	85.802.683	2.701.372	27.973.214
	Cash flows from investment activities	**1.543.200**	**85.251.100**	**101.889.174**	**27.686.171**
	Change in cash and cash equivalents	**-36.797.705**	**-82.187.399**	**-6.428.465**	**6.325.557**
	Cash and cash equivalents at 1 January 2023	42.521.359	123.347.266	9.168.355	3.065.943
	Foreign currency translation adjustments (cash and cash equivalents)	-533.355	1.361.492	-337.395	-223.145
	Cash and cash equivalents at 31 December 2023	**5.190.299**	**42.521.359**	**2.402.495**	**9.168.355**
	Cash and cash equivalents				
	Cash on hand and demand deposits	5.190.299	42.521.359	2.402.495	9.168.355
	Cash and cash equivalents at 31 December 2023	**5.190.299**	**42.521.359**	**2.402.495**	**9.168.355**

Notes

All amounts in DKK.

1. Fees for auditor

For 2023, the company has chosen to use the exemption provision in section 96(3) of the Danish Financial Statements Act. Reference is made to the information in the above consolidated financial statements.

2. Revenue

Segmental statement

Activities – primary segment:

	Test-Activity and sale of testkits	Medical activities	Other activities	Total
Group	22.224.866	11.289.227	55.930.048	89.444.141

	Group 2023	Group 2022	Parent 2023	Parent 2022
3. Staff costs				
Salaries and wages	25.903.804	168.217.014	5.496.498	8.020.286
Pension costs	579.767	1.605.074	111.700	366.196
Other costs for social security	431.245	3.186.910	81.057	86.941
Other staff costs	0	8.708.117	0	0
	26.914.816	**181.717.115**	**5.689.255**	**8.473.423**
Average number of employees	46	391	9	10

For 2023, the company has chosen to use the exemption provision in section 98b(3) of the Danish Financial Statements Act.

	Group 2023	Group 2022	Parent 2023	Parent 2022
4. Depreciation, amortisation, and impairment				
Amortisation of development projects	1.487.388	0	0	0
Amortisation of concessions, patents, and licences	136.878	860.233	0	0
Depreciation of leasehold improvements	1.095.665	0	1.095.665	0
Depreciation of buildings	25.332	25.332	25.332	25.332
Depreciation of plant and machinery	134.450	134.451	0	0
Depreciation of other fixtures and fittings, tools and equipment	5.088.922	8.479.001	12.996	1.422.142
Profit/loss on the sale of property, plant, and equipment	80.000	0	80.000	0
	8.048.635	**9.499.017**	**1.213.993**	**1.447.474**

All amounts in DKK.

		Group		Parent	
		2023	2022	2023	2022
5.	**Other financial costs**				
	Financial costs, group enterprises	0	0	2.290.823	5.397.961
	Other financial costs	1.027.166	1.879.828	527.216	416.785
		1.027.166	**1.879.828**	**2.818.039**	**5.814.746**

		Group		Parent	
		2023	2022	2023	2022
6.	**Tax on net profit or loss for the year**				
	Tax on net profit or loss for the year	-11.884.023	865.648	-1.419.900	-1.550.272
	Adjustment of deferred tax for the year	5.123.101	-15.234.396	-730.780	-408.887
		-6.760.922	**-14.368.748**	**-2.150.680**	**-1.959.159**

		Parent 2023	Parent 2022
7.	**Proposed distribution of net profit**		
	Reserves for net revaluation according to the equity method	-16.543.201	-43.068.541
	Dividend for the financial year	100.000.000	0
	Allocated from retained earnings	-108.508.767	-9.501.168
	Total allocations and transfers	**-25.051.968**	**-52.569.709**

All amounts in DKK.

		Group 31/12 2023	31/12 2022
8.	**Completed development projects, including patents and similar rights arising from development projects**		
	Cost 1 January 2023	0	0
	Transfers	7.245.387	0
	Cost 31 December 2023	**7.245.387**	**0**
	Amortisation and write-down 1 January 2023	0	0
	Amortisation and depreciation for the year	-1.487.388	0
	Amortisation and write-down 31 December 2023	**-1.487.388**	**0**
	Carrying amount, 31 December 2023	**5.757.999**	**0**

Copenhagen Global A/S has developed a military marine 605 hp engine that offers the characteristics and performance of a high-performance diesel engine developed by modifying a COTS engine based on the NEF series design from Italian FPT industrial. The engine will be offered up for sale to various boat builders/business partners upon completion of testing in early 2023.

In conjunction with this engine development project, Copenhagen Global A/S has also invested in an in-house Power Test 50X-Series Water Brake Engine Dynamometer (DYNO) designed for testing electric motors, industrial gasoline, military, construction and light- to medium-range diesel applications from 50 hp to 1,500 hp at speeds up to 6,000 rpm. This DYNO test facility will be utilised to test own developed engines, e.g. the CPH605 engine, and that of customers and business partners.

In 2022, Copenhagen Global A/S also found a internal need and an external market demand for an asset and service management system, which was ready for internal use and external sale during 2023.

All amounts in DKK.

		Group 31/12 2023	Group 31/12 2022
9.	**Acquired concessions, patents, licenses, trademarks, and similar rights**		
	Cost 1 January 2023	1.576.559	0
	Additions during the year	0	1.576.559
	Disposals during the year	-10.914	0
	Cost 31 December 2023	**1.565.645**	**1.576.559**
	Amortisation and write-down 1 January 2023	-860.234	0
	Amortisation and depreciation for the year	-136.878	-143.908
	Impairment loss for the year	0	-716.326
	Amortisation and write-down 31 December 2023	**-997.112**	**-860.234**
	Carrying amount, 31 December 2023	**568.533**	**716.325**

		Group 31/12 2023	Group 31/12 2022
10.	**Development projects in progress and prepayments for intangible assets**		
	Cost 1 January 2023	11.050.405	5.521.505
	Additions during the year	643.425	5.528.900
	Transfers	-11.693.830	0
	Cost 31 December 2023	**0**	**11.050.405**
	Carrying amount, 31 December 2023	**0**	**11.050.405**

		Group 31/12 2023	Group 31/12 2022	Parent 31/12 2023	Parent 31/12 2022
11.	**Property**				
	Cost 1 January 2023	1.900.000	1.900.000	1.900.000	1.900.000
	Cost 31 December 2023	**1.900.000**	**1.900.000**	**1.900.000**	**1.900.000**
	Depreciation and writedown 1 January 2023	-303.914	-278.582	-303.914	-278.582
	Amortisation and depreciation for the year	-25.332	-25.332	-25.332	-25.332
	Depreciation and writedown 31 December 2023	**-329.246**	**-303.914**	**-329.246**	**-303.914**
	Carrying amount, 31 December 2023	**1.570.754**	**1.596.086**	**1.570.754**	**1.596.086**

All amounts in DKK.

	Group 31/12 2023	Group 31/12 2022
12. Plant and machinery		
Cost 1 January 2023	672.253	672.253
Cost 31 December 2023	**672.253**	**672.253**
Depreciation and writedown 1 January 2023	-195.414	-60.963
Amortisation and depreciation for the year	-134.450	-134.451
Depreciation and writedown 31 December 2023	**-329.864**	**-195.414**
Carrying amount, 31 December 2023	**342.389**	**476.839**

	Group 31/12 2023	Group 31/12 2022	Parent 31/12 2023	Parent 31/12 2022
13. Other fixtures and fittings, tools and equipment				
Cost 1 January 2023	74.749.261	31.835.325	17.696.659	2.595.987
Additions during the year	1.340.474	43.821.752	250.000	15.100.672
Disposals during the year	-3.708.098	-907.816	-1.910.056	0
Transfers	4.448.443	0	0	0
Cost 31 December 2023	**76.830.080**	**74.749.261**	**16.036.603**	**17.696.659**
Amortisation and writedown 1 January 2023	-32.146.023	-23.127.836	-3.811.994	-2.389.852
Amortisation and depreciation for the year	-6.264.588	-4.325.789	-1.188.661	-1.422.142
Impairment loss for the year	0	-4.153.212	0	0
Depreciation, amortisation and impairment loss for the year, assets disposed of	666.634	0	0	0
Reversal of depreciation, amortisation and impairment loss, assets disposed of	1.986.775	-539.186	1.910.055	0
Amortisation and writedown 31 December 2023	**-35.757.202**	**-32.146.023**	**-3.090.600**	**-3.811.994**
Carrying amount, 31 December 2023	**41.072.878**	**42.603.238**	**12.946.003**	**13.884.665**

All amounts in DKK.

		Parent 31/12 2023	Parent 31/12 2022
14.	**Investments in group enterprises**		
	Cost 1 January 2023	43.729.968	43.729.968
	Cost 31 December 2023	**43.729.968**	**43.729.968**
	Revaluations, opening balance 1 January 2023	187.836.141	231.719.291
	Net profit or loss for the year before amortisation of goodwill	-116.543.201	-43.883.150
	Revaluations 31 December 2023	**71.292.940**	**187.836.141**
	Carrying amount, 31 December 2023	**115.022.908**	**231.566.109**

Group enterprises:

	Domicile	**Equity interest**
Copenhagen Contractors A/S	Copenhagen	100 %
Copenhagen Election A/S	Copenhagen	100 %
Copenhagen Global A/S	Copenhagen	100 %
Copenhagen Arctic A/S	Copenhagen	100 %

		Group 31/12 2023	Group 31/12 2022	Parent 31/12 2023	Parent 31/12 2022
15.	**Other financial investments**				
	Cost 1 January 2023	3.351.845	0	3.351.845	0
	Additions during the year	0	3.351.845	0	3.351.845
	Cost 31 December 2023	**3.351.845**	**3.351.845**	**3.351.845**	**3.351.845**
	Carrying amount, 31 December 2023	**3.351.845**	**3.351.845**	**3.351.845**	**3.351.845**

All amounts in DKK.

	Group 31/12 2023	Group 31/12 2022	Parent 31/12 2023	Parent 31/12 2022
16. Other receivables				
Cost 1 January 2023	8.477.721	10.908.226	8.477.721	10.908.226
Disposals during the year	-2.701.373	-2.430.505	-2.701.373	-2.430.505
Cost 31 December 2023	**5.776.348**	**8.477.721**	**5.776.348**	**8.477.721**
Carrying amount, 31 December 2023	**5.776.348**	**8.477.721**	**5.776.348**	**8.477.721**
Specified as follows:				
Other receivables	5.776.348	8.477.721	5.776.348	8.477.721
	5.776.348	**8.477.721**	**5.776.348**	**8.477.721**

	Group 31/12 2023	Group 31/12 2022	Parent 31/12 2023	Parent 31/12 2022
17. Deposits				
Cost 1 January 2023	2.692.959	2.520.782	541.874	589.202
Additions during the year	479.807	1.224.679	186.669	13.641
Disposals during the year	-2.164.556	-1.052.502	0	-60.969
Cost 31 December 2023	**1.008.210**	**2.692.959**	**728.543**	**541.874**
Writedown 1 January 2023	0	-500.000	0	0
Impairment loss, assets disposed of	0	500.000	0	0
Writedown 31 December 2023	**0**	**0**	**0**	**0**
Carrying amount, 31 December 2023	**1.008.210**	**2.692.959**	**728.543**	**541.874**

All amounts in DKK.

		Group		Parent	
		31/12 2023	31/12 2022	31/12 2023	31/12 2022
18.	**Deferred tax assets**				
	Deferred tax assets 1 January 2023	14.715.964	-518.432	508.044	99.157
	Deferred tax of the net profit or loss for the year	-5.123.101	15.234.396	730.780	408.887
		9.592.863	**14.715.964**	**1.238.824**	**508.044**
	The following items are subject to deferred tax:				
	Intangible assets	-1.096.945	-2.291.387	0	0
	Property, plant, and equipment	-199.132	-140.052	-404.945	-200.971
	Provisions for costs	1.738.000	4.089.080	0	0
	Loan costs	63.523	63.523	63.523	63.523
	Losses carried forward from previous years	9.087.417	12.994.800	1.580.246	645.492
		9.592.863	**14.715.964**	**1.238.824**	**508.044**

The recognised tax asset primarily consists of deferred tax relating to tax loss carryforward. Management estimates future earnings in connection with the assessment of whether and when deferred tax assets will be utilised. Management has prepared a plan for the utilisation of the recognised tax asset. The recognised tax asset is expected to be utilised within the next 5 years.

19. Prepayments and accrued income

Accruals consist of prepaid expenses related to the next fiscal year.

		Parent	
		31/12 2023	31/12 2022
20.	**Contributed capital**		
	Contributed capital 1 January 2023	3.000.000	3.000.000
		3.000.000	**3.000.000**

The share capital consists of 3.000.000 shares, each with a nominal value of DKK 1.

All amounts in DKK.

		Group	
		31/12 2023	31/12 2022
21.	**Other provisions**		
	Other provisions 1 January 2023	5.427.334	100.000
	Change in other provisions for the year	-5.427.334	5.327.334
		0	**5.427.334**
	Maturity is expected to be:		
	0-1 years	0	5.427.334
		0	**5.427.334**

		Group		Parent	
		31/12 2023	31/12 2022	31/12 2023	31/12 2022
22.	**Mortgage loans**				
	Total mortgage loans	0	855.241	0	855.241
	Share of amount due within 1 year	0	-46.956	0	-46.956
		0	**808.285**	**0**	**808.285**
	Share of liabilities due after 5 years	0	615.609	0	615.609

23. Charges and security

For the group's bank debts, DKK 296 thousand, (parent enterprise DKK 187 thousand) the group has provided security in company assets representing a nominal value of DKK 25.500 thousand (parent enterprise DKK 24.000 thousand). This security comprises the below assets, stating the book values:

Inventories	DKK 44.974 thousand (parent enterprise DKK 0)
Trade debtors	DKK 56.977 thousand (parent enterprise DKK 0 thousand)
Other plants, operating assets, fixtures and furniture	DKK 41.073 thousand (parent enterprise DKK 12.946 thousand)

24. Contingencies

Contingent liabilities

Recourse guarantee commitments:

The company has guaranteed the bank loans of the group enterprises. On 31 December 2023, the total bank loans of the group enterprises totalled DKK 0 thousand.

All amounts in DKK.

24. Contingencies (continued)

Joint taxation

With Handwerk Holding A/S, company reg. no 33055889 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

All amounts in DKK.

25. Related parties

Controlling interest

Handwerk Holding A/S, Skagerrakvej 4, 2150 Nordhavn, Denmark	Majority shareholder

Other related parties

Bjørn Damgaard Mortensen	Board member
Jeppe Handwerk	Board member
Meta Birgitte Zachau Handwerk	Board member
Copenhagen Constractors A/S	Group enterprise
Copenhagen Election A/S	Group enterprise
Copenhagen Arctic A/S	Group enterprise
Copenhagen Global A/S	Group enterprise

The shareholder of the group is also employed as CEO. Remuneration is granted on market terms.

Transactions

All transactions with related parties are made on market terms.

Consolidated financial statements

The company is included in the consolidated financial statements of Handwerk Holding A/S, Skagerrakvej 4, 2150 Nordhavn, Denmark.

Notes

All amounts in DKK.

	Group 2023	Group 2022	Parent 2023	Parent 2022
26. Adjustments				
Depreciation, amortisation, and impairment	8.128.635	9.499.017	1.293.993	1.447.474
Loss from disposal of non-current assets	167.090	0	0	0
Income from equity investments in subsidiaries	0	0	16.543.201	44.583.995
Other financial income	124.550	-6.093.579	-1.850.881	-5.029.472
Other financial costs	-237.070	1.879.828	2.818.039	5.814.746
Tax on net profit or loss for the year	-6.760.922	-14.368.748	-2.150.680	-1.959.159
Other provisions	-5.427.334	4.927.334	0	0
	-4.005.051	**-4.156.148**	**16.653.672**	**44.857.584**

	Group 2023	Group 2022	Parent 2023	Parent 2022
27. Change in working capital				
Change in inventories	-13.268.574	102.874.907	0	0
Change in receivables	-158.341.707	266.977.327	-19.217	3.234.858
Change in trade payables and other payables	162.026.803	-229.673.015	-100.303.967	1.015.034
	-9.583.478	**140.179.219**	**-100.323.184**	**4.249.892**

The annual report for Copenhagen Group A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (large enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

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

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

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

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

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

Foreign currency translation

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

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

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

The consolidated financial statements

The consolidated income statements comprise the parent company Copenhagen Group A/S and those group enterprises of which Copenhagen Group A/S directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' fair value of net assets and liabilities at the acquisition date.

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

Purchases and sales of minority interests under continuing control are recognised directly in equity as a transaction between shareholders.

Investments in associates are measured in the statement of financial position at the proportionate share of the enterprises' equity value i calculated in accordance with the parent company's accounting policies and with proportionate elimination of unrealised intercompany gains and losses. In the income statement, the proportional share of the associates' results is recognised after elimination of the proportional share of intercompany gains and losses.

The group activities in joint operations are recognised in the consolidated financial statements record by record.

Income statement

Revenue

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales

Cost of sales comprises costs concerning subcontractors, purchase of goods and consumables and changes in inventories.

Other operating income

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external costs

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

Staff costs

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

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

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

Results from investments in subsidiaries

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual entities are recognised in the income statement of the parent as a proportional share of the entities' post-tax profit or loss.

Tax on net profit or loss for the year

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

The parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs comprise salaries, wages, and amortisation directly attributable to development activities.

Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. It is, however, a condition that the cost can be reliably calculated and that a sufficiently high degree of certainty indicates that future earnings will cover the costs of production, sales, and administration. Other development costs are recognised in the income statement concurrently with their realisation.

Development costs recognised in the statement of financial position are measured at cost less accrued amortisations and writedowns for impairment.

After completion of the development work, capitalised development costs are amortised on a straight-line basis over the estimated useful economic life. The amortisation period is usually 10 years.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Buildings	30 years	20 %
Plant and machinery	5-10 years	0-20 %
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The group's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

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

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

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

Previously recognised impairment losses are reversed when conditions for impairment no longer exist.

Investments

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterpriseswith a strong market position and a long-term earnings profile.

Investments in subsidiaries with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries.

Other financial instruments and equity investments

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

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

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

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

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

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

Prepayments and accrued income

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

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

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

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Copenhagen Group A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

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

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

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

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

Other Provisions

Provisions comprise expected costs of restructuring, etc. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

Warranty commitments comprise commitments to repair work being carried out within the warranty period of 1-5 years. The provisions are measured at the net realisable value and recognised on the basis of experience with warranty work. If provisions have an expected due date later than 1 year from the reporting date, they are discounted at the average bond interest.

Liabilities other than provisions

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables.

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

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are calculated as the group's and parent's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under “Interest income and dividend received”.

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's and parent's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and shortterm financial instruments with a term of less than 3 months, which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.

Jeppe Handwerk

Navnet returneret af dansk MitID var:
Jeppe Handwerk
Direktør
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Tidspunkt for underskrift: 12-07-2024 kl.: 17:52:22
Underskrevet med MitID

Bjørn Damgaard Mortensen

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Bestyrelsesformand
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Underskrevet med MitID

Meta Birgitte Zachau Handwerk

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Jeppe Handwerk

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Bestyrelsesmedlem
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Underskrevet med MitID

Elan Schapiro

Navnet returneret af dansk MitID var:
Elan Lieck Schapiro
Revisor
På vegne af Christensen Kjærulff Statsautoriseret Revisions...
ID: 3fd646d3-680c-4323-8391-ee4aa900f7a0
Tidspunkt for underskrift: 13-07-2024 kl.: 11:24:34
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Bjørn Damgaard Mortensen

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Dirigent
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