



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

CVR: 15 91 56 41

TLF: 33 30 15 15

ØSTBANEGADE 123
2100 KØBENHAVN Ø

E-MAIL: CK@CK.DK
WEB: WWW.CK.DK

Copenhagen Contractors A/S

Sankt Annæ Plads 11, 1, 1250 København K

Company reg. no. 29 51 92 26

Annual report

1 January - 31 December 2022

The annual report has been submitted and approved by the general meeting on the 17 July 2023.

Bjørn Damgaard Mortensen
Chairman of the meeting



Contents

	<u>Page</u>
Reports	
Management's statement	1
Independent auditor's report	2
Management's review	
Company information	5
Financial highlights	6
Management's review	7
Financial statements 1 January - 31 December 2022	
Income statement	13
Balance sheet	14
Statement of changes in equity	16
Statement of cash flows	17
Notes	18
Accounting policies	26

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 Contractors A/S for the financial year 1 January - 31 December 2022.

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 financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2022 and of the company's results of activities and cash flows in the financial year 1 January – 31 December 2022.

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, 12 July 2023

Managing Director

Jeppe Handwerk

Board of directors

Bjørn Damgaard Mortensen
Chairman

Jeppe Handwerk

Meta Birgitte Zachau Handwerk



Independent auditor's report

To the Shareholder of Copenhagen Contractors A/S

Opinion

We have audited the financial statements of Copenhagen Contractors A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, statement of cash flows, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations and 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 the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



Independent auditor's report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review

Management is responsible for Management's Review.

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



Independent auditor's report

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

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

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

Copenhagen, 12 July 2023

Christensen Kjaerulff

Company reg. no. 15 91 56 41

Elan Schapiro

State Authorised Public Accountant
mne33765



Company information

The company	Copenhagen Contractors A/S Sankt Annæ Plads 11, 1 1250 København K Company reg. no. 29 51 92 26 Established: 26 April 2006 Domicile: Copenhagen Financial year: 1 January - 31 December
Board of directors	Bjørn Damgaard Mortensen, Chairman Jeppe Handwerk Meta Birgitte Zachau Handwerk
Managing Director	Jeppe Handwerk
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Østbanegade 123 2100 København Ø
Parent company	Copenhagen Group A/S



Financial highlights

DKK in thousands.	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Income statement:					
Revenue	411.863	2.677.063	47.101	1.403	500
Gross profit	161.391	1.657.355	12.345	180	-227
Profit from operating activities	-62.459	910.228	9.094	-490	-896
Net financials	5.236	2.316	-548	-18	13
Net profit or loss for the year	-44.630	711.745	6.666	-400	-376
Statement of financial position:					
Balance sheet total	221.766	675.271	76.156	4.635	4.462
Investments in property, plant and equipment	8.186	10.852	0	0	23
Equity	187.572	232.202	10.456	3.791	4.190
Cash flows:					
Operating activities	-82.442	633.545	-15.300	38	11
Investing activities	-9.982	-12.709	0	0	-23
Financing activities	-583	-509.251	19.971	0	0
Total cash flows	-93.008	111.586	4.671	38	-12
Employees:					
Average number of full-time employees	368	1.109	3	0	0
Key figures in %:					
Gross margin ratio	39,2	61,9	26,2	12,8	-45,4
Profit margin (EBIT-margin)	-15,2	34,0	19,3	-34,9	-179,2
Solvency ratio	84,6	34,4	13,7	81,8	93,9
Return on equity	-21,3	586,6	93,6	-10,0	-8,6

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



Management's review

The principal activities of the company

Since Copenhagen Contractors A/S registered the trade name Copenhagen Medical A/S under its legal umbrella in October 2020 with the purpose of providing medical equipment and diagnostic services to support the fight against the COVID-19 pandemic, these business activities have become the primary business activities of Copenhagen Contractors A/S. In this management commentary, we therefore describe these business activities with reference to Copenhagen Medical A/S.

In addition to the provision of medical equipment and diagnostic services, Copenhagen Contractors A/S continues to manage projects and contracts awarded through direct tendering for the supply of products and services to international organizations, national governments and agencies. Primary services include the provision of camp support services, military hangars and shelters, container systems and solutions, wash-down and disinfection services, body armour and ballistic helmets, unmanned aerial systems (UAS) and counter-UAS technology. In this management commentary, we continue to refer to Copenhagen Contractors A/S, when describing the development of these field hospital services.

Development in activities and financial matters

In 2021 revenue was primarily generated from COVID-19 antigen (AG) testing services provided by Copenhagen Medical A/S across the Capital Region of Denmark. Throughout 2021, we Copenhagen Medical became a key partner of the Danish Government in providing COVID-19 testing services to the general population, bringing down infection rates and thereby supporting the fight against the COVID-19 pandemic.

These activities continued into Q1 of 2022, after which the contracts ended and the need for mass testing and vaccinations disappeared as society normalized after the epidemic.

In the first half of 2022, the company continued its efforts for 10 strategically located health centres, which should strengthen the company's position in the health field and be a supplement to the public healthcare.

However, the development in this business area has not proceeded as expected, which is why the company has chosen to reduce activity in this segment during the second half of 2022 – which result for the year is also affected by.

The result is also significantly influenced by the fact that the company wanted to ensure the necessary readiness for covid-19 antigen tests, as no one knew when the demand would stop. The excess number of tests - which the company invested in, in order to have the necessary preparedness if the pandemic continued - the company subsequently extraordinarily wrote down by approx. DKK 52 million.

In addition to the sale of medical equipment and services, Copenhagen Contractors A/S continued to provide services under the wash-down and disinfection services framework contract with the Danish Defense throughout 2022.



Management's review

As a result of the above, total revenue decreased from t.DKK 2.677.000. in 2021 to t.DKK 411.863. in 2022. Income or loss from ordinary and net profit after taxes decreased significantly from t.DKK 711.745 io. in 2021, to t.DKK-43.114 in 2022. In 2022 the company's cash and cash equivalent's decreased by t.DKK 91.569 i.e. from t.114.466.to t.DKK 22.897. Under the circumstances, management considers the result for the year to be expected but unsatisfactory.

Risk Management

Proper management of risks is extremely important to us since our corporate set-up and customer database do not lend us much room for maneuvering with respect to social acceptability and financial credibility. Expansion into the medical equipment and diagnostic services field necessitates an additional level of risk compliance. As such, Copenhagen Medical A/S came under official supervision by the Danish Medicines Agency ("Lægemiddelstyrelsen") and the Danish Patient Safety Authority ("Styrelsen for Patientsikkerhed") in 2021, as the "traceability" of diagnostic products are of key importance and needs to be documented continuously. As such, Copenhagen Medical A/S implemented a number of industry solutions such as XMedicus (EPR) as well as a number of procedures for reporting and tracking potential incidents in order to secure continuous risk management and possible mitigating mechanisms.

Since the birth of Copenhagen Medical A/S in 2020, existing policies and guidelines have also been further developed and expanded, implemented and monitored to manage risks related to medical products, data and the testing services in particular, both at public testing locations and in connection with private company agreements. Furthermore, a QA Manager has consistently been monitoring KPIs related to risks and compliance on an ongoing basis across all areas related to medical equipment and related services.

Before bidding for a new potential contract, we conduct an internal assessment of the customer and scope of work to ensure it meets our obligations to UN Global Compact to which we are a long-standing signatory. Our 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 our financial risks, we aim to quote customers in the same currency as that quoted to us by our suppliers. Our 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.

The vast majority of our contracts continue to be with stable national governments and reputable international Organizations. Consequently, a loss on debtors or a long delay in payments by a customer is rarely a problem for us.

Expected developments

As a result of the company choosing at the end of the financial year for 2022 to reassess the strategy in the health area, and thereby the presence with a wide network of health centers - this has an impact on the expectations for 2023.



Management's review

The effort will primarily be focused on activities related to public tenders in the health area, just as volume-driven vaccinations for private companies will be an area of effort. It is still expected, however, that the company, after downscaling the health centres, will be able to expand this area either with its own centers or in a strategic collaboration with existing ones.

There will also be a continued focus on cooperation with the Danish defense in a number of areas.

Going forward, it is expected that Copenhagen Contractors will continue to provide services under the wash-down and disinfection service framework - as well as prefabricated camp solutions.

These activities depend, among other things, on the timing of tenders, as well as the final decision by partners, just as there is often a long execution period, which is why it is uncertain whether projects can be completed either at the end of 2023 or at the beginning of 2024. The expectations for 2023 are significantly affected by this. It is thus the company's expectations that the revenue will amount to a level between DKK 20-40 million. with an EBITDA between minus DKK 10-15 million. And a net profit in the same range

Events occurring after the end of the financial year

No events have occurred subsequent to the end of the fiscal year 2022, which could be of significant detriment to Copenhagen Contractors A/S' financial position.

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

Copenhagen Contractors 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 Contractors 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 Contractors A/S has engaged an external consultant to further develop its ESG reporting framework within the next few years.

Business model and engagement

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



Management's review

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

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

- Camp Services
- Defence Support Services
- Public and Corporate Health Services

and the following customer/market segments:

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

Environmental issues – including climate change

Copenhagen Contractors 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 minimizing the use of natural resources and fossil fuels to the extent possible.

Copenhagen Contractors 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 optimize own operations and aims to ship the vast majority of goods by sea instead of air. Additionally, to help customers best protect the environment, Copenhagen Contractors A/S and its business partners collaborate on developing “green” solutions and managing hazardous material.

Employee Relations and Human Rights

Copenhagen Contractors 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 Contractors 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 Contractors 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.



Management's review

Copenhagen Contractors A/S respects internationally recognized 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.

2021 and 2022 were somewhat turbulent years for Copenhagen Contractors A/S and its employees as the company grew rapidly in early 2021 in response to the COVID-19 pandemic and the need for testing and vaccination services to which Copenhagen Contractors A/S' supported the public efforts in Denmark via its sub name, Copenhagen Medical A/S.

Due to a less than expected demand for public, corporate, and private health care services, Copenhagen Contractors A/S unfortunately had to lay off employees in the second half of 2022.

As a result of the major changes to its organization in 2022, Copenhagen Contractors A/S' saw a decrease in overall employee satisfaction for this year; hence, an increased focus on fostering improved engagement and satisfaction among the company's employees is key for 2023. In addition, as part of the development of an ESG action plan towards 2025, the company will assess social risks, impacts and opportunities associated with its business and use these insights to review its policies and processes and consider relevant KPIs and targets.

Fighting corruption and bribery

Copenhagen Contractors 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 Contractors A/S' Code of Conduct establishes the general rules to be observed in order to meet the company's ethical standards for business behavior and is an integral part of the Business Integrity Management System. Copenhagen Contractors 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.

Report on gender composition in management according to section 99 b of the Danish Financial Statements Act

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



Management's review

Copenhagen Contractors 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 2022, the gender distribution among the workforce representing 42 full-time employees had a 45% female representation. Copenhagen Contractors 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 Contractors A/S had an equal gender distribution of 33.3% by year-end 2022, as one woman was represented in top management. Similarly, the company had an equal gender distribution at among its Board of Directors year-end 2022, where one of the three members of the board is a woman. Copenhagen Contractors 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 digitalization 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 Contractors A/S is acting in a responsible manner, also in this connection, and at the same time is increasing 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 finalized, but in the process of being prepared and is going to be implemented during 2023.



Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
2 Revenue	411.862.751	2.677.063.005
Other operating income	598.474	0
Cost of sales	-140.775.740	-796.826.329
Other external expenses	-110.294.036	-222.882.073
Gross profit	161.391.449	1.657.354.603
4 Staff costs	-162.906.524	-741.354.802
5 Depreciation and impairment of plant, machinery, other fixtures and fittings, tools and equipment	-6.879.686	-4.463.259
Impairment of current assets exceeding usual impairment	-53.515.505	0
Other operating expenses	-549.000	-1.308.586
Operating profit	-62.459.266	910.227.956
Other financial income from group companies	4.912.977	6.464.555
Other financial income	1.552.252	1.512.858
Other financial expenses	-1.229.031	-5.661.488
Pre-tax net profit or loss	-57.223.068	912.543.881
6 Tax on net profit or loss for the year	12.593.257	-200.798.648
7 Net profit or loss for the year	-44.629.811	711.745.233



Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Assets		
Non-current assets		
8 Acquired concessions, patents, licenses, trademarks, and similar rights	716.325	0
Total intangible assets	716.325	0
9 Plant and machinery	476.839	611.290
10 Other fixtures and fittings, tools and equipment	8.915.567	6.614.136
Total property, plant, and equipment	9.392.406	7.225.426
11 Deposits	2.076.858	1.357.353
Total investments	2.076.858	1.357.353
Total non-current assets	12.185.589	8.582.779
Current assets		
Manufactured goods and goods for resale	1.117.853	81.082.234
Prepayments for goods	8.634.085	44.736.875
Total inventories	9.751.938	125.819.109
Trade receivables	1.161.862	171.966.676
Receivables from group companies	139.192.244	170.605.225
12 Deferred tax assets	16.766.417	383.462
Other receivables	19.810.680	83.124.706
13 Prepayments	0	322.310
Total receivables	176.931.203	426.402.379
Cash and cash equivalents	22.897.203	114.466.262
Total current assets	209.580.344	666.687.750
Total assets	221.765.933	675.270.529



Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2022</u>	<u>2021</u>
Equity			
14	Contributed capital	2.000.000	2.000.000
	Retained earnings	85.571.851	230.201.662
	Proposed dividend for the financial year	100.000.000	0
	Total equity	<u>187.571.851</u>	<u>232.201.662</u>
Provisions			
15	Other provisions	<u>5.427.334</u>	<u>0</u>
	Total provisions	<u>5.427.334</u>	<u>0</u>
Liabilities other than provisions			
	Bank loans	136.996	720.106
	Prepayments received from customers	856.604	1.529.241
	Trade payables	2.956.222	87.548.521
	Payables to group enterprises	2.000.000	0
	Income tax payable to group companies	3.789.698	201.123.010
	Other payables	<u>19.027.228</u>	<u>152.147.989</u>
	Total short term liabilities other than provisions	<u>28.766.748</u>	<u>443.068.867</u>
	Total liabilities other than provisions	<u>28.766.748</u>	<u>443.068.867</u>
	Total equity and liabilities	<u>221.765.933</u>	<u>675.270.529</u>
1 Special items			
3 Fees for auditor			
16 Charges and security			
17 Contingencies			
18 Related parties			



Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2021	2.000.000	8.456.429	0	10.456.429
Retained earnings for the year	0	221.745.233	0	221.745.233
Extraordinary dividend adopted during the financial year	0	490.000.000	0	490.000.000
Distributed extraordinary dividend adopted during the financial year	0	-490.000.000	0	-490.000.000
Equity 1 January 2022	2.000.000	230.201.662	0	232.201.662
Retained earnings for the year	0	-144.629.811	100.000.000	-44.629.811
	2.000.000	85.571.851	100.000.000	187.571.851



Statement of cash flows 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Net profit or loss for the year	-44.629.811	711.745.233
19 Adjustments	-6.022.435	203.445.983
20 Change in working capital	<u>165.535.605</u>	<u>-283.926.447</u>
Cash flows from operating activities before net financials	114.883.359	631.264.769
Interest received, etc.	5.026.535	6.464.556
Interest paid, etc.	<u>-1.229.031</u>	<u>-2.469.883</u>
Cash flows from ordinary activities	118.680.863	635.259.442
Income tax paid	<u>-201.123.010</u>	<u>-1.714.016</u>
Cash flows from operating activities	<u>-82.442.147</u>	<u>633.545.426</u>
Purchase of intangible assets	-1.576.559	0
Purchase of property, plant, and equipment	-8.186.433	-10.852.241
Sale of property, plant, and equipment	0	590
Purchase of fixed asset investments	-1.211.038	-1.857.353
Sale of fixed asset investments	<u>991.533</u>	<u>0</u>
Cash flows from investment activities	<u>-9.982.497</u>	<u>-12.709.004</u>
Dividend paid	0	-490.000.000
Changes in short-term bank loans	<u>-583.110</u>	<u>-19.250.717</u>
Cash flows from investment activities	<u>-583.110</u>	<u>-509.250.717</u>
Change in cash and cash equivalents	<u>-93.007.754</u>	<u>111.585.705</u>
Cash and cash equivalents at 1 January 2022	114.466.262	4.559.304
Foreign currency translation adjustments (cash and cash equivalents)	<u>1.438.695</u>	<u>-1.678.747</u>
Cash and cash equivalents at 31 December 2022	<u>22.897.203</u>	<u>114.466.262</u>
Cash and cash equivalents		
Cash and cash equivalents	<u>22.897.203</u>	<u>114.466.262</u>
Cash and cash equivalents at 31 December 2022	<u>22.897.203</u>	<u>114.466.262</u>



Notes

All amounts in DKK.

1. Special items

Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.

As mentioned in the management commentary, the net profit or loss for the year is affected by a number of factors that differ from what is considered by management to be part of operating activities.

Special items for the year are specified below, indicating where they are recognised in the income statement. As at 31 December 2022, an extraordinary write-down of the company's inventories of DKK 53,516 thousand has been made, which is presented separately in the income statement.

Furthermore, DKK 12,486 thousand has been recognised in the income statement relating to the reduced activity.

The company has donated an ambulance, which is recognised at DKK 7,500 thousand in the item other external costs.

2. Revenue

Segmental statement

	Test-activity and sale of testkits	Other activities	Total
Activities – primary segment:	<u>377.577.414</u>	<u>34.285.337</u>	<u>411.862.751</u>

3. Fees for auditor

For 2022, 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.



Notes

All amounts in DKK.

	<u>2022</u>	<u>2021</u>
4. Staff costs		
Salaries and wages	150.003.469	668.344.223
Pension costs	1.238.878	54.000
Other costs for social security	2.956.060	11.662.205
Other staff costs	8.708.117	61.294.374
	<u>162.906.524</u>	<u>741.354.802</u>
Average number of employees	<u>368</u>	<u>1.109</u>
For 2022, the company has chosen to use the exemption provision in section 98b(3) of the Danish Financial Statements Act.		
5. Depreciation and impairment of plant, machinery, other fixtures and fittings, tools and equipment		
Amortisation of concessions, patents, and licences	860.233	0
Depreciation of plant and machinery	134.451	60.963
Depreciation of other fixtures and fittings, tools and equipment	5.885.002	4.402.886
Profit/loss on the sale of property, plant, and equipment	0	-590
	<u>6.879.686</u>	<u>4.463.259</u>
6. Tax on net profit or loss for the year		
Tax on net profit or loss for the year	3.789.698	201.123.010
Adjustment of deferred tax for the year	-16.382.955	-324.362
	<u>-12.593.257</u>	<u>200.798.648</u>
7. Proposed distribution of net profit		
Extraordinary dividend distributed during the financial year	0	490.000.000
Dividend for the financial year	100.000.000	0
Transferred to retained earnings	0	221.745.233
Allocated from retained earnings	-144.629.811	0
Total allocations and transfers	<u>-44.629.811</u>	<u>711.745.233</u>



Notes

All amounts in DKK.

	<u>31/12 2022</u>	<u>31/12 2021</u>
8. Acquired concessions, patents, licenses, trademarks, and similar rights		
Additions during the year	1.576.559	0
Cost 31 December 2022	1.576.559	0
Amortisation and depreciation for the year	-143.908	0
Impairment loss for the year	-716.326	0
Amortisation and write-down 31 December 2022	-860.234	0
Carrying amount, 31 December 2022	716.325	0
9. Plant and machinery		
Cost 1 January 2022	1.223.061	2.227.329
Additions during the year	0	672.253
Disposals during the year	0	-1.676.521
Cost 31 December 2022	1.223.061	1.223.061
Depreciation and writedown 1 January 2022	-611.771	-2.227.329
Amortisation and depreciation for the year	-134.451	-60.963
Reversal of depreciation, amortisation and impairment loss, assets disposed of	0	1.676.521
Depreciation and writedown 31 December 2022	-746.222	-611.771
Carrying amount, 31 December 2022	476.839	611.290



Notes

All amounts in DKK.

	<u>31/12 2022</u>	<u>31/12 2021</u>
10. Other fixtures and fittings, tools and equipment		
Cost 1 January 2022	12.642.162	2.512.174
Additions during the year	8.186.433	10.179.988
Disposals during the year	<u>0</u>	<u>-50.000</u>
Cost 31 December 2022	<u>20.828.595</u>	<u>12.642.162</u>
Amortisation and writedown 1 January 2022	-6.028.026	-1.675.139
Amortisation and depreciation for the year	-1.731.790	-924.148
Impairment loss for the year	-4.153.212	-3.478.739
Depreciation, amortisation and impairment loss for the year, assets disposed of	<u>0</u>	<u>50.000</u>
Amortisation and writedown 31 December 2022	<u>-11.913.028</u>	<u>-6.028.026</u>
Carrying amount, 31 December 2022	<u>8.915.567</u>	<u>6.614.136</u>
11. Deposits		
Cost 1 January 2022	1.857.353	0
Additions during the year	1.211.038	1.857.353
Disposals during the year	<u>-991.533</u>	<u>0</u>
Cost 31 December 2022	<u>2.076.858</u>	<u>1.857.353</u>
Writedowns 1 January 2022	-500.000	0
Impairment loss for the year	0	-500.000
Impairment loss, assets disposed of	<u>500.000</u>	<u>0</u>
Writedowns 31 December 2022	<u>0</u>	<u>-500.000</u>
Carrying amount, 31 December 2022	<u>2.076.858</u>	<u>1.357.353</u>



Notes

All amounts in DKK.

	<u>31/12 2022</u>	<u>31/12 2021</u>
12. Deferred tax assets		
Deferred tax assets 1 January 2022	383.462	59.100
Deferred tax of the net profit or loss for the year	<u>16.382.955</u>	<u>324.362</u>
	<u>16.766.417</u>	<u>383.462</u>
The following items are subject to deferred tax:		
Intangible assets	139.702	0
Property, plant, and equipment	764.224	383.462
Current assets	11.773.411	0
Other provisions	<u>4.089.080</u>	<u>0</u>
	<u>16.766.417</u>	<u>383.462</u>
<p>The recognised tax asset primarily consists of deferred tax relating to current assets and other provisions. 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. Current assets as well as other provisions will be realized in 2023.</p>		
13. Prepayments		
Prepaid rent	<u>0</u>	<u>322.310</u>
	<u>0</u>	<u>322.310</u>
14. Contributed capital		
Contributed capital 1 January 2022	<u>2.000.000</u>	<u>2.000.000</u>
	<u>2.000.000</u>	<u>2.000.000</u>

The share capital consists of 2.000 shares, each with a nominal value of DKK 1,000.



Notes

All amounts in DKK.

	<u>31/12 2022</u>	<u>31/12 2021</u>
15. Other provisions		
Change in other provisions for the year	<u>5.427.334</u>	<u>0</u>
	<u>5.427.334</u>	<u>0</u>
Maturity is expected to be:		
0-1 years	<u>5.427.334</u>	<u>0</u>
	<u>5.427.334</u>	<u>0</u>

Other provisions relate to onerous leases that will be cancelled in 2023.

16. Charges and security

For bank debt, t.DKK 0, the company has provided security in company assets representing a nominal value of t.DKK 25.500. This security comprises the assets below, stating the carrying amounts:

	<u>DKK in thousands</u>
Inventories	1.118
Acquired concessions, patents, licenses, trademarks, and similar rights	1.433
Other fixtures and fittings, tools and equipment	8.916
Trade receivables	1.162

17. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into operational leases with an average annual lease payment of DKK 395.000. The leases have 33 months to maturity and total outstanding lease payments total DKK 1.587.000.

Recourse guarantee commitments:

The company has guaranteed the bank loans of the group enterprises. On 31 December 2022, the total bank loans of the group enterprises totalled DKK 0.

Joint taxation

With Handwerk Holding A/S, company reg. no 33055899 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.



Notes

All amounts in DKK.

17. Contingencies (continued)

Joint taxation (continued)

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.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

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

18. Related parties

Controlling interest

Copenhagen Group A/S, Copenhagen

Majority shareholder

Handwerk Holding A/S, Copenhagen

Majority shareholder
of Copenhagen Group
A/S

Transactions

All transactions with related parties take place on market terms.

Consolidated financial statements

The company is included in the presented consolidated financial statement of the parent company Copenhagen Group A/S.

	<u>2022</u>	<u>2021</u>
19. Adjustments		
Depreciation, amortisation, and impairment	6.879.686	4.463.260
Other financial income	-6.465.229	-7.977.413
Other financial expenses	1.229.031	5.661.488
Tax on net profit or loss for the year	-12.593.257	200.798.648
Other provisions	4.927.334	500.000
	<u>-6.022.435</u>	<u>203.445.983</u>



Notes

All amounts in DKK.

	<u>2022</u>	<u>2021</u>
20. Change in working capital		
Change in inventories	116.067.171	-80.326.241
Change in receivables	265.854.131	-400.810.884
Change in trade payables and other payables	<u>-216.385.697</u>	<u>197.210.678</u>
	<u>165.535.605</u>	<u>-283.926.447</u>



Accounting policies

The annual report for Copenhagen Contractors 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 company and the value of the asset can be reliably measured.

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

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

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.

Income statement

Revenue

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



Accounting policies

Revenue includes services and goods delivered during the year less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income if the control of the service or goods are transferred to the customer. Services are recognised over the time when the customer receives and consumes the benefits as the service is delivered by the company.

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 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, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise.

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.

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.



Accounting policies

The company is 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

Licences

Licenses are measured at cost less accrued amortisation. Licenses are amortised over a period of 5 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement under amortisation and writedown for impairment.

Plant, machinery, other fixtures and fittings, tools and equipment

Plant, machinery, other fixtures and fittings, tools and equipment are measured at cost less accrued depreciation and writedown for impairment.

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
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.



Accounting policies

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 under depreciation.

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 company'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 tangible fixed assets 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

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 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.



Accounting policies

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

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"



Accounting policies

According to the rules of joint taxation, Copenhagen Contractors 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.

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.

Liabilities other than provisions

Liabilities concerning payables to suppliers 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.



Accounting policies

Cash flows from operating activities

Cash flows from operating activities are calculated as the company'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 company'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

ID: bf2cbbfc-fccb-44dc-b77d-367b3a1a4fbe

Tidspunkt for underskrift: 17-07-2023 kl.: 15:47:38

Underskrevet med MitID



Bjørn Damgaard Mortensen

Navnet returneret af dansk MitID var:

Bjørn Damgaard Mortensen

Bestyrelsesformand

ID: af7f5bf5-89e4-46a7-994b-613a869c63fe

Tidspunkt for underskrift: 17-07-2023 kl.: 17:12:52

Underskrevet med MitID



Jeppe Handwerk

Navnet returneret af dansk MitID var:

Jeppe Handwerk

Bestyrelsesmedlem

ID: bf2cbbfc-fccb-44dc-b77d-367b3a1a4fbe

Tidspunkt for underskrift: 18-07-2023 kl.: 08:34:08

Underskrevet med MitID



Meta Birgitte Zachau Handwerk

Navnet returneret af dansk MitID var:

Meta Birgitte Zachau Handwerk

Bestyrelsesmedlem

ID: 089d6a38-ee6e-481c-b6ca-cc13e57b5fe8

Tidspunkt for underskrift: 18-07-2023 kl.: 12:41:14

Underskrevet med MitID



Elan Schapiro

Navnet returneret af dansk MitID var:

Elan Lieck Schapiro

Revisor

ID: 3fd646d3-680c-4323-8391-ee4aa900f7a0

Tidspunkt for underskrift: 18-07-2023 kl.: 21:13:33

Underskrevet med MitID



Bjørn Damgaard Mortensen

Navnet returneret af dansk MitID var:

Bjørn Damgaard Mortensen

Dirigent

ID: af7f5bf5-89e4-46a7-994b-613a869c63fe

Tidspunkt for underskrift: 18-07-2023 kl.: 21:42:40

Underskrevet med MitID

