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# *Cobe A/S*

Orientkaj 4, DK-2150 Nordhavn

## Annual Report for 2023

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CVR No. 30 91 46 78

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 17/5 2024

Martin Delfer  
Chairman of the  
general meeting



# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report	2
<b>Management's Review</b>	
Company information	5
Financial Highlights	6
Management's Review	7
<b>Financial Statements</b>	
Income Statement 1 January - 31 December	9
Balance sheet 31 December	10
Statement of changes in equity	13
Notes to the Financial Statements	14

# Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Cobe A/S for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 17 May 2024

## Executive Board

Nina Mathiesen  
Executive Officer

Mari Lea Louekari Randsborg  
Executive Officer

## Board of Directors

Martin Delfer  
Chairman

Mari Lea Louekari Randsborg

Dan Stubbergaard Hansen

# Independent Auditor's report

To the shareholder of Cobe A/S

## Opinion

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's and the Parent Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Cobe A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("the Financial Statements").

## 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 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.

## 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.

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, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

## Management's responsibilities for the Financial Statements

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

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

# Independent Auditor's report

## 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.

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

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

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

# Independent Auditor's report

Hellerup, 17 May 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Jacob F Christiansen

State Authorised Public Accountant

mne18628

André Christensen

State Authorised Public Accountant

mne50615

## Company information

<b>The Company</b>	Cobe A/S Orientkaj 4 2150 Nordhavn  Telephone: + 45 32544300 Email: cobe@cobe.dk Website: www.cobe.dk  CVR No: 30 91 46 78 Financial period: 1 January - 31 December Municipality of reg. office: København
<b>Board of Directors</b>	Martin Delfer, chairman Mari Lea Louekari Randsborg Dan Stubbergaard Hansen
<b>Executive Board</b>	Nina Mathiesen Mari Lea Louekari Randsborg
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

## Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	<b>Group</b>				
	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Revenue	134,183	129,956	95,624	99,402	121,748
Profit/loss of primary operations	7,863	7,077	2,171	1,272	10,066
Profit/loss of financial income and expenses	454	-462	22	-830	245
Net profit/loss for the year	6,288	5,125	1,656	339	8,022
<b>Balance sheet</b>					
Balance sheet total	62,136	59,823	52,345	51,211	53,029
Investment in property, plant and equipment	554	1,395	872	393	2,442
Equity	24,362	22,579	17,979	16,291	18,962
Number of employees	133	138	113	124	134
<b>Ratios</b>					
Gross margin	70.4%	72.1%	77.6%	80.4%	74.2%
Profit margin	5.9%	5.4%	2.3%	1.3%	8.3%
Return on assets	12.7%	11.8%	4.1%	2.5%	19.0%
Solvency ratio	39.2%	37.7%	34.3%	31.8%	35.8%
Return on equity	26.8%	25.3%	9.7%	1.9%	49.5%



# Management's review

## Key activities

Cobe A/S is a knowledge-based community of architects dedicated to development of and consultancy on buildings, urban planning, public space designs and landscape architecture primarily in Denmark, Scandinavia, Northern Europe and Canada.

## Ownership and Executive Board

Cobe A/S is owned by Founder Dan Stubbergaard, who is in the board of directors, and CEO Nina Mathiesen. Dan Stubbergaard, CEO Nina Mathiesen and CEO Mari Randsborg comprise the Executive Board of Cobe A/S and are authorised to bind the company.

## Business Areas

Cobe's core business is centered around future-proof, sustainable solutions in urbanism, landscape and architecture. With Cobe's mindset and values – and a focus on context, sustainability, and the specific narrative of each project – Cobe can deliver excellent results to a mix of scales and typologies. From design objects, urban spaces, landscapes and buildings – to urban and strategic development plans for districts and cities.

## Development in the year

The year was characterized by a continuous growth. Cobe had several big wins especially within Urban Planning and Architectural transformation. Cobe continues participation in a large number of prestigious architecture competitions in Denmark and abroad. Expansion and consolidation in international markets continues especially with more ongoing projects in Germany.

The income statement of the Group for 2023 shows a profit of DKK 6,288,137 and at 31 December 2023 the balance sheet of the Group shows equity of DKK 24,362,159. The finances of Cobe are thereby on a continuous rise.

## Market risks

In 2023, Cobe had ongoing projects in Denmark, Germany, Sweden, Norway, Finland, Belgium, The Netherlands, Slovenia, Estonia, Austria, UK, Thailand and Canada. These included both design and execution of residential, commercial, cultural, educational and urban development projects.

## Cobe assignments and projects in 2023

In 2023, new projects included transformation of the Danish Parliament, Gasklocka in Stockholm, Espoo Cityhall in Finland and 3 new projects in Canada to name a few. All examples of future-proof urbanism, landscape and architecture, pushing the boundaries for how to shape the world around us.

Cobe completed The Opera Park, Paper Island and the tip of Nordø – all in the center of Copenhagen, Europahafenkopf Bremen, West Don Lands 8 in Toronto and numerous new Clever ultra-fast charging stations that continues to expand the network of cleaner and greener transportation in Denmark.

## Foreign exchange risks

A share of Cobe's activities take place abroad. Cobe makes every effort to enter into contracts denominated in either Euros or Danish kroner. However, contracts in e.g. North America are entered in currencies that are pegged to the US dollar. This means that Cobe is exposed to foreign exchange risks. The risk in 2023 have however been a minimum.

# Management's review

## Research and development

Cobe has continued in 2023 to further invest in developing intellectual capital within sustainability, transformation, reuse/renovation, building materials and biodiversity. In 2023 Cobe has been focusing on embedding the knowledge and results from previous investments in research and development into our ongoing projects, taking full advantage of the knowledge and experience we have gained through the last years, and to create bigger value for our clients.

## Intellectual capital resources

At the company's core is a flat organizational structure in which work is performed in project-based teams and where individual employees are given both mandate and responsibility as well as recognition for unique skills and expertise. Cobe has intellectual capital that include expertise in architectural typologies such as city development & transformation, cultural institutions, education, office and housing. Employee development takes place through continuous further training, professional challenges and a focus on results, collaboration, and a well-functioning social work environment.

## Uncertainty relating to recognition and measurement

Contract work in progress is calculated at selling price of the work performed based on the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date and the estimated total contract expenses. The total contract expenses are calculated on the basis of budgets. Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realizable value. Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

## Future outlook

Cobe will continue to develop its interdisciplinary competences to both extraordinary quality and futureproof aesthetics, as well as sustainable solutions to the challenges the world is facing related to the built environment. As a business partner and consultant, Cobe is known for its collaborative approach. All extraordinary ideas are the result of a collaborative environment and dialogue among clients, users, partners and stakeholders. Cobe works to enhance understanding between everyone internally and externally, and believes architecture is for all.

2024 will still be affected by a unruly market, high interest rates, new building requirements that push for more sustainable solutions but which is also challenging the industry. Cobe expects this will impact both revenue and profit. Cobe will therefore focus on furthering its efforts within business development and improving its core services within urbanism, landscape and architecture: from ideas, concepts and plans – to processes, dialogue and collaboration – and further to realized buildings and places. In 2024 Cobe expects an increased revenue in the range of a minimum 5% raise from 2023 level.

## Subsequent events

Management considers that no significant events have occurred since the end of the financial year 2023, which could have a material effect on the financial position of the Company.

## Income statement 1 January - 31 December

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Revenue		134,182,905	129,955,629	132,365,578	128,283,048
Other operating income		47,496	38,300	47,496	38,300
Expenses for raw materials and consumables		-25,435,021	-22,941,840	-22,940,563	-21,650,406
Other external expenses		-14,312,437	-13,373,685	-14,151,492	-13,138,551
<b>Gross profit</b>		<b>94,482,943</b>	<b>93,678,404</b>	<b>95,321,019</b>	<b>93,532,391</b>
Staff expenses	1	-85,235,827	-84,994,695	-85,235,827	-84,994,695
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	2	-1,383,858	-1,606,296	-1,383,858	-1,606,296
<b>Profit/loss before financial income and expenses</b>		<b>7,863,258</b>	<b>7,077,413</b>	<b>8,701,334</b>	<b>6,931,400</b>
Income from investments in subsidiaries		0	0	-595,746	43,783
Financial income	3	2,039,542	657,606	1,985,667	652,348
Financial expenses	4	-1,585,864	-1,119,198	-1,555,956	-1,113,265
<b>Profit/loss before tax</b>		<b>8,316,936</b>	<b>6,615,821</b>	<b>8,535,299</b>	<b>6,514,266</b>
Tax on profit/loss for the year	5	-2,028,799	-1,490,568	-2,028,799	-1,438,096
<b>Net profit/loss for the year</b>	6	<b>6,288,137</b>	<b>5,125,253</b>	<b>6,506,500</b>	<b>5,076,170</b>

## Balance sheet 31 December

### Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Acquired patents		46,475	98,964	46,475	98,964
<b>Intangible assets</b>	7	<b>46,475</b>	<b>98,964</b>	<b>46,475</b>	<b>98,964</b>
Other fixtures and fittings, tools and equipment		1,857,395	2,386,579	1,857,395	2,386,579
Leasehold improvements		716,695	965,077	716,695	965,077
Property, plant and equipment in progress		0	0	0	0
<b>Property, plant and equipment</b>	8	<b>2,574,090</b>	<b>3,351,656</b>	<b>2,574,090</b>	<b>3,351,656</b>
Investments in subsidiaries	9	0	0	344,353	833,739
Deposits	10	1,650,000	1,650,000	1,650,000	1,650,000
<b>Fixed asset investments</b>		<b>1,650,000</b>	<b>1,650,000</b>	<b>1,994,353</b>	<b>2,483,739</b>
<b>Fixed assets</b>		<b>4,270,565</b>	<b>5,100,620</b>	<b>4,614,918</b>	<b>5,934,359</b>
Trade receivables		25,620,491	28,185,038	25,508,938	27,487,779
Contract work in progress	11	2,876,731	1,940,256	2,876,731	1,940,256
Receivables from group enterprises		626,278	516,241	4,296,299	1,322,279
Other receivables		16,837	32,073	10,699	7,823
Corporation tax		0	30,239	0	0
Prepayments	12	1,292,353	2,624,547	1,292,353	2,624,547
<b>Receivables</b>		<b>30,432,690</b>	<b>33,328,394</b>	<b>33,985,020</b>	<b>33,382,684</b>
<b>Cash at bank and in hand</b>		<b>27,432,813</b>	<b>21,393,603</b>	<b>22,915,443</b>	<b>19,155,040</b>
<b>Current assets</b>		<b>57,865,503</b>	<b>54,721,997</b>	<b>56,900,463</b>	<b>52,537,724</b>
<b>Assets</b>		<b>62,136,068</b>	<b>59,822,617</b>	<b>61,515,381</b>	<b>58,472,083</b>

## Balance sheet 31 December

### Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Share capital		500,000	500,000	500,000	500,000
Reserve for net revaluation under the equity method		0	0	0	357,347
Reserve for exchange rate conversion		-5,758	-3,075	0	0
Retained earnings		15,790,612	17,434,112	15,784,854	17,073,690
Proposed dividend for the year		8,150,000	4,502,766	8,150,000	4,502,766
<b>Equity attributable to shareholders of the Parent Company</b>		<b>24,434,854</b>	<b>22,433,803</b>	<b>24,434,854</b>	<b>22,433,803</b>
Minority interests		-72,695	145,406	0	0
<b>Equity</b>		<b>24,362,159</b>	<b>22,579,209</b>	<b>24,434,854</b>	<b>22,433,803</b>
Provision for deferred tax	13	11,819,073	9,790,274	11,819,073	9,790,274
Provisions relating to investments in group enterprises		0	0	109,044	0
<b>Provisions</b>		<b>11,819,073</b>	<b>9,790,274</b>	<b>11,928,117</b>	<b>9,790,274</b>
Other payables		7,480,646	7,254,480	7,480,646	7,254,480
<b>Long-term debt</b>	14	<b>7,480,646</b>	<b>7,254,480</b>	<b>7,480,646</b>	<b>7,254,480</b>
Trade payables		7,752,917	9,075,640	6,962,090	7,983,223
Contract work in progress	11	186,108	0	186,108	0
Payables to owners and Management		103,346	0	103,346	20,480
Corporation tax		0	101,705	0	0
Other payables	14	10,431,819	11,021,309	10,420,220	10,989,823
<b>Short-term debt</b>		<b>18,474,190</b>	<b>20,198,654</b>	<b>17,671,764</b>	<b>18,993,526</b>
<b>Debt</b>		<b>25,954,836</b>	<b>27,453,134</b>	<b>25,152,410</b>	<b>26,248,006</b>
<b>Liabilities and equity</b>		<b>62,136,068</b>	<b>59,822,617</b>	<b>61,515,381</b>	<b>58,472,083</b>

# Balance sheet 31 December

## Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Contingent assets, liabilities and other financial obligations	15				
Related parties	16				
Subsequent events	17				
Accounting Policies	18				

## Statement of changes in equity

### Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Proposed dividend for the year	Equity excl. minority interests	Minority interests	Total
	DKK	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	500,000	-3,075	17,434,112	4,502,766	22,433,803	145,406	22,579,209
Exchange adjustments	0	-2,683	0	0	-2,683	262	-2,421
Ordinary dividend paid	0	0	0	-4,502,766	-4,502,766	0	-4,502,766
Net profit/loss for the year	0	0	-1,643,500	8,150,000	6,506,500	-218,363	6,288,137
<b>Equity at 31 December</b>	<b>500,000</b>	<b>-5,758</b>	<b>15,790,612</b>	<b>8,150,000</b>	<b>24,434,854</b>	<b>-72,695</b>	<b>24,362,159</b>

### Parent company

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	500,000	357,347	17,073,690	4,502,766	22,433,803
Ordinary dividend paid	0	0	0	-4,502,766	-4,502,766
Exchange adjustments relating to foreign entities	0	-2,683	0	0	-2,683
Net profit/loss for the year	0	-354,664	-1,288,836	8,150,000	6,506,500
<b>Equity at 31 December</b>	<b>500,000</b>	<b>0</b>	<b>15,784,854</b>	<b>8,150,000</b>	<b>24,434,854</b>





## Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
<b>3. Financial income</b>				
Income from securities, which are fixed assets	0	5,258	0	0
Interest received from group enterprises	35,848	22,658	35,848	22,658
Other financial income	312,018	22,526	258,143	22,526
Exchange adjustments	1,691,676	607,164	1,691,676	607,164
	<b>2,039,542</b>	<b>657,606</b>	<b>1,985,667</b>	<b>652,348</b>

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
<b>4. Financial expenses</b>				
Other financial expenses	40,008	140,421	10,100	134,488
Exchange adjustments, expenses	1,545,856	978,777	1,545,856	978,777
	<b>1,585,864</b>	<b>1,119,198</b>	<b>1,555,956</b>	<b>1,113,265</b>

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
<b>5. Income tax expense</b>				
Current tax for the year	0	52,472	0	0
Deferred tax for the year	2,028,799	1,438,096	2,028,799	1,438,096
	<b>2,028,799</b>	<b>1,490,568</b>	<b>2,028,799</b>	<b>1,438,096</b>

## Notes to the Financial Statements

	<b>Group</b>		<b>Parent company</b>	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
<b>6. Profit allocation</b>				
Proposed dividend for the year	8,150,000	4,502,766	8,150,000	4,502,766
Reserve for net revaluation under the equity method	0	0	-354,664	43,783
Minority interests' share of net profit/loss of subsidiaries	-218,363	49,083	0	0
Retained earnings	-1,643,500	573,404	-1,288,836	529,621
	<b>6,288,137</b>	<b>5,125,253</b>	<b>6,506,500</b>	<b>5,076,170</b>

## 7. Intangible fixed assets

	<b>Group</b>	<b>Parent company</b>
	Acquired patents	Acquired patents
	DKK	DKK
Cost at 1 January	391,175	391,175
Cost at 31 December	391,175	391,175
Impairment losses and amortisation at 1 January	292,211	292,211
Amortisation for the year	52,489	52,489
Impairment losses and amortisation at 31 December	344,700	344,700
<b>Carrying amount at 31 December</b>	<b>46,475</b>	<b>46,475</b>
Amortised over	3 years	3 years

## Notes to the Financial Statements

### 8. Property, plant and equipment

	Group		Parent company	
	Other fixtures and fittings, tools and equipment	Leasehold improvements	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK	DKK	DKK
Cost at 1 January	8,251,177	2,095,973	8,251,177	2,095,973
Additions for the year	553,803	0	553,803	0
Disposals for the year	-70,000	-27,175	-70,000	-27,175
Cost at 31 December	<b>8,734,980</b>	<b>2,068,798</b>	<b>8,734,980</b>	<b>2,068,798</b>
Impairment losses and depreciation at 1 January	5,864,598	1,130,896	5,864,598	1,130,896
Depreciation for the year	1,082,987	248,382	1,082,987	248,382
Reversal of impairment and depreciation of sold assets	-70,000	-27,175	-70,000	-27,175
Impairment losses and depreciation at 31 December	<b>6,877,585</b>	<b>1,352,103</b>	<b>6,877,585</b>	<b>1,352,103</b>
<b>Carrying amount at 31 December</b>	<b>1,857,395</b>	<b>716,695</b>	<b>1,857,395</b>	<b>716,695</b>
Amortised over	<u>3-10 years</u>	<u>3-10 years</u>	<u>3-10 years</u>	<u>3-10 years</u>

## Notes to the Financial Statements

	<b>Parent company</b>	
	2023	2022
	DKK	DKK
<b>9. Investments in subsidiaries</b>		
Cost at 1 January	476,392	290,343
Additions for the year	0	186,049
Cost at 31 December	<u>476,392</u>	<u>476,392</u>
Value adjustments at 1 January	357,347	336,191
Exchange adjustment	-2,683	-22,627
Net profit/loss for the year	-595,747	43,783
Value adjustments at 31 December	<u>-241,083</u>	<u>357,347</u>
Equity investments with negative net asset value transferred to provisions	<u>109,044</u>	<u>0</u>
<b>Carrying amount at 31 December</b>	<b><u>344,353</u></b>	<b><u>833,739</u></b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
COBE-BRUT	Brussels	EUR 35.000	60%
COBE Architects Inc.	Toronto	CAD 10.000	100%
COBE Copenhagen Ltd	London	GBP 10.000	100%
COBE Kopenhagen GmbH	Berlin	EUR 25.000	100%

## 10. Other fixed asset investments

	<b>Group</b>	<b>Parent company</b>
	Deposits	Deposits
	DKK	DKK
Cost at 1 January	1,650,000	1,650,000
Cost at 31 December	<u>1,650,000</u>	<u>1,650,000</u>
<b>Carrying amount at 31 December</b>	<b><u>1,650,000</u></b>	<b><u>1,650,000</u></b>

## Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
<b>11. Contract work in progress</b>				
Selling price of work in progress	134,998,548	112,824,330	134,998,548	112,824,330
Payments received on account	-132,307,925	-110,884,074	-132,307,925	-110,884,074
	<b>2,690,623</b>	<b>1,940,256</b>	<b>2,690,623</b>	<b>1,940,256</b>
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	2,876,731	1,940,256	2,876,731	1,940,256
Prepayments received recognised in debt	-186,108	0	-186,108	0
	<b>2,690,623</b>	<b>1,940,256</b>	<b>2,690,623</b>	<b>1,940,256</b>

## 12. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
<b>13. Provision for deferred tax</b>				
Deferred tax liabilities at 1 January	9,790,274	8,352,178	9,790,274	8,352,178
Amounts recognised in the income statement for the year	2,028,799	1,438,096	2,028,799	1,438,096
Deferred tax liabilities at 31 December	<b>11,819,073</b>	<b>9,790,274</b>	<b>11,819,073</b>	<b>9,790,274</b>

## Notes to the Financial Statements

Group		Parent company	
2023	2022	2023	2022
DKK	DKK	DKK	DKK

### 14. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

#### Other payables

After 5 years	0	0	0	0
Between 1 and 5 years	7,480,646	7,254,480	7,480,646	7,254,480
Long-term part	7,480,646	7,254,480	7,480,646	7,254,480
Other short-term payables	10,431,819	11,021,309	10,420,220	10,989,823
	<b>17,912,465</b>	<b>18,275,789</b>	<b>17,900,866</b>	<b>18,244,303</b>

### 15. Contingent assets, liabilities and other financial obligations

#### Other contingent liabilities

The Company has entered into a tenancy agreement concerning the Company's domicile. The tenancy agreement is non-terminable until 15 February 2028. The rent obligation amounts to DKK 15,741k

The Company has also entered into agreements regarding leasing assets. The agreements are non-terminable until 1 July 2025 and 1 January 2024 respectively. The total obligation amounts to DKK 609k

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The company is involved in a minor numbers of disputes. None of these are expected to have an effect on the company.

# Notes to the Financial Statements

## 16. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
<b>Controlling interest</b>	
COBE HOLDING A/S 34052786 Copenhagen	Parent Company
Dan Stubbergaard	Beneficial owner

### Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

### Consolidated Financial Statements

The Company is included in the consolidated financial statements for the parent company

<u>Name</u>	<u>Place of registered office</u>
COBE HOLDING ApS	Copenhagen

The Group Annual Report of COBE HOLDING ApS may be obtained at the following address:

Orientkaj 4, 2150 Nordhavn

## 17. Subsequent events

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

# Notes to the Financial Statements

## 18. Accounting policies

The Annual Report of Cobe A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023 are presented in DKK.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Cobe Holding ApS, the Company and the Group have not prepared a cash flow statement.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Cobe A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

### Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.



# Notes to the Financial Statements

## Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

## Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Segment information on revenue

Information on geographical segments based on the Group's risks and returns and its internal financial reporting system. Geographical segments are regarded as the primary segments.

## Income statement

### Revenue

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve the consolidated revenue for the year.

# Notes to the Financial Statements

## Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

## Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

## Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

## Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

## Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

## Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

## Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the management company of the joint taxation purpose. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

## Balance sheet

### Intangible fixed assets

Software is measured at the lower of cost less accumulated amortisation and recoverable amount. Software is amortised over the remaining patent period; however not exceeding 3 years.

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

# Notes to the Financial Statements

Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	3-10 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

## Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

## Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

## Other fixed asset investments

Other fixed asset investments consist of deposits.

## Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

## Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

## Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

# Notes to the Financial Statements

## Equity

### Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

## Financial Highlights

### Explanation of financial ratios

Gross margin	$\text{Gross profit} \times 100 / \text{Revenue}$
Profit margin	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Revenue}$
Return on assets	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$