

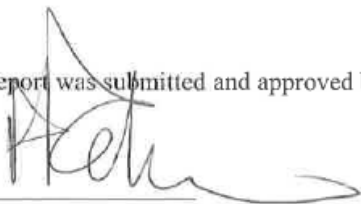
Icop Denmark ApS
Rosengården 8, 3., 1174 København K

Company reg. no. 34 71 49 91

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the AUGUST 28th 2020 .



Vittorio Petrucco
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British 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 report

Today, the board of directors and the executive board have presented the annual report of Icop Denmark ApS for the financial year 1 January - 31 December 2019.

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 2019 and of the company's results of activities in the financial year 1 January – 31 December 2019.

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 by the general meeting.

København K, 28 August 2020

Executive board

Luca Grillo

Mauro Milesi

Board of directors

Piero Petrucco
Chairman

Vittorio Petrucco

Luca Grillo

Independent auditor's report

To the shareholders of Icop Denmark ApS

Qualified opinion

In our opinion, except for the possible effects on the comparative information and on profit/loss for the year of the matter described in the Basis for qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Icop Denmark ApS for the financial year 1 January to 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for qualified opinion

We were appointed auditors of the Company on 18 Juni 2020 and therefore have not been able to check the counting of the Company's inventories or otherwise been able to obtain evidence about the existence of the Company's inventories at the beginning of the financial year 2019. As inventories at the beginning of the financial year affect the profit/loss for 2019, we are unable to decide whether it would have been necessary to adjust profit/loss and equity at the beginning of the financial year. Consequently, we modified our opinion on the Financial Statements for the financial year 2019.

Our opinion on the Financial Statements for the current period has also been modified as a result of the possible effect of this matter on the comparability of the accounting figures for the current period and the comparative figures.

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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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 conclusions 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, in our view, 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 in Management's Review.

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.

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.

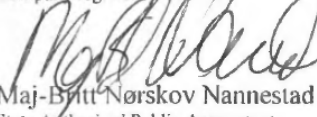
Independent auditor's report

- 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.

Hellerup, 28 August 2020

PricewaterhouseCoopers
State Authorised Public Accountants
Company reg. no. 33 77 12 31


Maj-Britt Nørskov Nannestad
State Authorised Public Accountant
mnc32198

Company information

The company

Icop Denmark ApS
Rosengården 8, 3.
1174 København K

Company reg. no. 34 71 49 91
Domicile: Copenhagen
Financial year: 1 January - 31 December

Board of directors

Piero Petrucco, Chairman
Vittorio Petrucco
Luca Grillo

Executive board

Luca Grillo
Mauro Milesi

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Management commentary

Key activities

The company's activities comprise of construction works within micro tunneling.

Development in activities and financial matters

The income statement of the Company for 2019 shows a profit of TDKK 391, and at 31 December 2019 the balance sheet of the Company shows equity of TDKK 789.

Events occurring after the end of the financial year

After the end of the year, the COVID-19 crisis began. It is difficult to assess, but it seems that the COVID-19 crisis will not affect this year's results.

Income statement 1 January - 31 December

DKK thousand.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Gross profit	28.781	13.147
1 Staff costs	-27.382	-11.905
Depreciation and impairment of non-current assets	-185	-261
Operating profit	1.214	981
2 Other financial income	459	191
3 Other financial costs	-1.282	-562
Pre-tax net profit or loss	391	610
4 Tax on net profit or loss for the year	0	-156
Net profit or loss for the year	391	454
Proposed appropriation of net profit:		
Transferred to retained earnings	391	454
Total allocations and transfers	391	454

Statement of financial position at 31 December

DKK thousand.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Assets		
Non-current assets		
5 Plant and machinery	1.081	896
Total property, plant, and equipment	1.081	896
6 Deposits	860	868
Total investments	860	868
Total non-current assets	1.941	1.764
Current assets		
Manufactured goods and goods for resale	0	2.881
Total inventories	0	2.881
Trade receivables	15.649	16.857
7 Contract work in progress	12.899	10.817
Receivables from group enterprises	15.580	10.134
Tax receivables from group enterprises	554	274
Other receivables	169	225
Prepayments and accrued income	577	692
Total receivables	45.428	38.999
Cash on hand and demand deposits	1.940	3
Total current assets	47.368	41.883
Total assets	49.309	43.647

Statement of financial position at 31 December

DKK thousand.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Equity and liabilities		
Equity		
Contributed capital	80	80
Retained earnings	709	318
Total equity	789	398
Provisions		
Provisions for deferred tax	434	434
Total provisions	434	434
Liabilities other than provisions		
8 Payables to group enterprises	5.774	0
Total long term liabilities other than provisions	5.774	0
Bank loans	11.186	0
7 Prepayments received from customers for contract work in progress	0	11.328
Trade payables	15.151	17.817
9 Payables to group enterprises	3.326	2.943
Payables to associates	1.063	0
Income tax payable	1.296	1.078
Other payables	10.290	9.649
Total short term liabilities other than provisions	42.312	42.815
Total liabilities other than provisions	48.086	42.815
Total equity and liabilities	49.309	43.647

Statement of changes in equity

DKK thousand.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2019	80	318	398
Retained earnings for the year	0	391	391
	80	709	789

Notes

DKK thousand.

1. Staff costs

Salaries and wages	21.614	8.750
Pension costs	176	671
Other costs for social security	2.615	303
Other staff costs	2.977	2.181
	<u>27.382</u>	<u>11.905</u>
Average number of employees	<u>72</u>	<u>19</u>

2. Other financial income

Interest received from group enterprises	284	95
Other financial income	0	8
Exchange differences	175	88
	<u>459</u>	<u>191</u>

3. Other financial costs

Other financial costs	<u>1.282</u>	<u>562</u>
	<u>1.282</u>	<u>562</u>

4. Tax on net profit or loss for the year

Tax on net profit or loss for the year	0	0
Adjustment of deferred tax for the year	0	156
	<u>0</u>	<u>156</u>

Notes

DKK thousand.

	<u>31/12 2019</u>	<u>31/12 2018</u>
5. Plant and machinery		
Cost 1 January 2019	1.362	1.160
Additions during the year	369	531
Disposals during the year	0	-329
Cost 31 December 2019	<u>1.731</u>	<u>1.362</u>
Depreciation and writedown 1 January 2019	-466	-273
Amortisation and depreciation for the year	-184	-284
Reversal of depreciation, amortisation and impairment loss, assets disposed of	0	91
Depreciation and writedown 31 December 2019	<u>-650</u>	<u>-466</u>
Carrying amount, 31 December 2019	<u>1.081</u>	<u>896</u>
6. Deposits		
Cost 1 January 2019	868	658
Additions during the year	0	645
Disposals during the year	-8	-435
Cost 31 December 2019	<u>860</u>	<u>868</u>
Carrying amount, 31 December 2019	<u>860</u>	<u>868</u>
7. Contract work in progress		
Selling price of the production for the period	14.639	40.991
Payments received on account	-1.740	-41.502
Contract work in progress, net	<u>12.899</u>	<u>-511</u>
The following is recognised:		
Contract work in progress (current assets)	12.899	10.817
Contract work in progress (prepayments received on account)	0	-11.328
	<u>12.899</u>	<u>-511</u>

Notes

DKK thousand.

	<u>31/12 2019</u>	<u>31/12 2018</u>
8. Payables to group enterprises		
Total payables to group enterprises	9.100	2.943
Share of amount due within 1 year	<u>-3.326</u>	<u>-2.943</u>
	<u>5.774</u>	<u>0</u>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>

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 above.

9. Payables to group enterprises		
Short-term payables to group enterprise	<u>3.326</u>	<u>2.943</u>
	<u>3.326</u>	<u>2.943</u>

Accounting policies

The annual report for Icop Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C 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.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of transaction. Exchange rate differences arising between the rate at the date of transaction and the rate at the date of payment are recognised in the income statement as an item under net financials.

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 and other nonmonetary assets acquired in foreign currency and not considered to be investment assets are measured using the exchange rate at the transaction date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

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

Accounting policies

Contract work in progress concerning construction contracts is recognised in the revenue concurrently with the production process. Thus, the revenue corresponds to the selling price of the total yearly production (the production method). The revenue is recognised when the total income and costs of the contract and the stage of completion on the reporting date can be reliably validated and it is deemed probable that the financial benefits will flow to the company.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

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. Staff costs are less government reimbursements.

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.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Tax on net profit or loss for the year

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

The company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Accounting policies

Statement of financial position

Property, plant, and equipment

Property is measured at cost plus revaluations and less accrued depreciation and writedown for impairment. Land is not subject to depreciation.

Property is revaluated on the basis of regular, independent fair-value assessments. Net revaluation at fair value adjustment is recognised directly in equity less deferred tax and tied up in a particular revaluation reserve. Net impairment loss at fair value adjustment is recognised in the income statement.

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

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in company equity.

Other property, plant, 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.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	4 years

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

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

Accounting policies

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible assets as well as equity investments in subsidiaries and associates 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 equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow derived from the use of the asset or group of assets.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Deposits

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

Inventories

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

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

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the market 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 face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Accounting policies

Contract work in progress

Contract work in progress is measured at the selling price of the work performed less invoicing on account and expected losses. Contract work in progress is characterised by the goods manufactured having a high degree of individualised design. Furthermore, it is a requirement to enter into a binding contract prior to commencing the work which, if cancelled, will result in penalties or damages.

The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual contracts. The stage of completion is determined on the basis of an assessment of the work performed, usually determined as the ratio of the costs incurred to the total expected cost of the contract in question.

Prepayments from customers are recognised as liabilities.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

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.

Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

Accounting policies

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.