



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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Cipa Denmark ApS



c/o Regus, Rådhuspladsen 16, kl., 1550 København K.

Company reg. no. 35 04 10 95

Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 14 July 2023.



Aldo Bellone
Chairman of the meeting



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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 Managing Director has approved the annual report of Cipa Denmark ApS for the financial year 1 January - 31 December 2022.

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

I consider the chosen accounting policy to be appropriate, and in my 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 for the financial year 1 January – 31 December 2022.

Further, in my opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

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

København K., 14 July 2023

Managing Director

Aldo Bellone





Independent auditor's report

To the Shareholder of Cipa Denmark ApS

Opinion

We have audited the financial statements of Cipa Denmark ApS for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, 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 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.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to note 1 in the annual report, which says that the annual accounts have been prepared on a going concern basis. We agree with the management on this 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.



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 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.



Independent auditor's report

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, 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, 14 July 2023

Christensen Kjarulff

Company reg. no. 15 91 56 41

Peter Lund
State Authorised Public Accountant
mne19771



Company information

The company

Cipa Denmark ApS
c/o Regus, Rådhuspladsen 16, kl.
1550 København K.

Company reg. no. 35 04 10 95

Domicile:

Financial year: 1 January 2022 - 31 December 2022

Managing Director

Aldo Bellone

Auditors

Christensen Kjarulff
Statsautoriseret Revisionsaktieselskab
Østbanegade 123
2100 København Ø



Management's review

Description of key activities of the company

The principal activities are to operate with building and construction business and all related activities.

Development in activities and financial matters

The gross profit for the year totals DKK 49.800.853 against DKK 53.507.285 last year. Income or loss from ordinary activities after tax totals DKK 2.724.007 against DKK -5.408.330 last year. Management consider the net profit for the year satisfactory.

The owner's of the company have committed themselves to inject the necessary liquidity to ensure the company's payments to creditors until the ordinary general meeting in 2024.

Events occurring after the end of the financial year

Cipa Denmark ApS have made an agreement with the Danish debt collector regarding the outstanding payments to the danish authorities. They must comply with the payments that have been agreed with the debt collector.



Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Gross profit	49.800.853	53.507.285
2 Staff costs	-46.101.919	-58.668.366
Operating profit	3.698.934	-5.161.081
Other financial income	2.164	0
3 Other financial expenses	-977.091	-247.310
Pre-tax net profit or loss	2.724.007	-5.408.391
4 Tax on net profit or loss for the year	0	61
Net profit or loss for the year	2.724.007	-5.408.330
Proposed distribution of net profit:		
Transferred to retained earnings	2.724.007	0
Allocated from retained earnings	0	-5.408.330
Total allocations and transfers	2.724.007	-5.408.330



Balance sheet at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2022</u>	<u>2021</u>
Current assets			
	Trade receivables	15.120.669	20.606.085
	Receivables from group enterprises	11.169.736	7.048.690
	Other receivables	343.964	780.078
	Prepayments	393.925	516.612
	Total receivables	<u>27.028.294</u>	<u>28.951.465</u>
	Cash and cash equivalents	<u>3.180.974</u>	<u>1.184.817</u>
	Total current assets	<u>30.209.268</u>	<u>30.136.282</u>
	Total assets	<u>30.209.268</u>	<u>30.136.282</u>



Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2022</u>	<u>2021</u>
Equity			
	Contributed capital	2.144.087	2.144.087
	Retained earnings	<u>-4.238.009</u>	<u>-6.962.016</u>
	Total equity	<u>-2.093.922</u>	<u>-4.817.929</u>
 Liabilities other than provisions			
5	Other payables	<u>3.331.519</u>	<u>3.333.805</u>
	Total long term liabilities other than provisions	<u>3.331.519</u>	<u>3.333.805</u>
	Bank debts	0	919
	Trade payables	3.193.982	1.949.469
	Payables to group enterprises	159.381	0
	Other payables	25.618.308	29.664.901
	Deferred income	<u>0</u>	<u>5.117</u>
	Total short term liabilities other than provisions	<u>28.971.671</u>	<u>31.620.406</u>
	Total liabilities other than provisions	<u>32.303.190</u>	<u>34.954.211</u>
	Total equity and liabilities	<u>30.209.268</u>	<u>30.136.282</u>
 1 Uncertainties relating to going concern			
6 Charges and security			



Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2021	2.144.087	-1.553.686	590.401
Profit or loss for the year brought forward	0	-5.408.330	-5.408.330
Equity 1 January 2022	2.144.087	-6.962.016	-4.817.929
Profit or loss for the year brought forward	0	2.724.007	2.724.007
	2.144.087	-4.238.009	-2.093.922



Notes

All amounts in DKK.

1. Uncertainties relating to going concern

The owner's of the company have committed themselves to inject the necessary liquidity to ensure the company's payments to creditors until the ordinary general meeting in 2024.

	<u>2022</u>	<u>2021</u>
2. Staff costs		
Salaries and wages	39.719.712	50.984.772
Pension costs	5.067.535	6.062.861
Other costs for social security	<u>1.314.672</u>	<u>1.620.733</u>
	<u>46.101.919</u>	<u>58.668.366</u>
Average number of employees	<u>104</u>	<u>129</u>
3. Other financial expenses		
Other financial costs	<u>977.091</u>	<u>247.310</u>
	<u>977.091</u>	<u>247.310</u>
4. Tax on net profit or loss for the year		
Adjustment of tax for previous years	<u>0</u>	<u>-61</u>
	<u>0</u>	<u>-61</u>



Notes

All amounts in DKK.

	<u>31/12 2022</u>	<u>31/12 2021</u>
5. Other payables		
Total other payables	3.331.519	3.333.805
Share of amount due within 1 year	<u>0</u>	<u>0</u>
Total other payables	<u>3.331.519</u>	<u>3.333.805</u>
Share of liabilities due after 5 years	<u>3.331.519</u>	<u>3.333.805</u>

6. Charges and security

The company has provided usual work guarantees regarding building contracts of DKK 206,100 through the company's bank connection.



Accounting policies

The annual report for Cipa 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, write-downs 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

Gross profit

Gross profit comprises the revenue, cost of sales and other external costs.



Accounting policies

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

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

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

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

Other external costs comprise costs incurred for distribution, sales, advertising, administration and premises.

Staff costs

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

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, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

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

Statement of financial position

Receivables

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

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

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

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

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

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.

Liabilities other than provisions

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

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

