



CN3 A/S

Telefonvej 8 D, 3.
2860 Søborg
CVR No. 35225870

Annual report 01.07.2022 - 30.06.2023

The Annual General Meeting adopted the annual
report on 28.09.2023

Knut Akselvoll
Chairman of the General Meeting

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Entity details

Entity

CN3 A/S

Telefonvej 8 D, 3.

2860 Søborg

Business Registration No.: 35225870

Registered office: Gladsaxe

Financial year: 01.07.2022 - 30.06.2023

Board of Directors

Knut Aksenvoll

Michael Gauguin Houghton-Larsen

Michael Sloth Højgaard

Jørgen Vilhelm Løvenørn Bardenfleth

Rolf Carlsen

Dan Højgaard Jensen

Anne Kathrine Oxenvad

Executive Board

Rolf Carlsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of CN3 A/S for the financial year 01.07.2022 - 30.06.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2023 and of the results of its operations for the financial year 01.07.2022 - 30.06.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Søborg, 28.09.2023

Executive Board

Rolf Carlsen

Board of Directors

Knut Akselvoll

Michael Gauguin Houghton-Larsen

Michael Sloth Højgaard

Jørgen Vilhelm Løvenørn Bardenfleth

Rolf Carlsen

Dan Højgaard Jensen

Anne Kathrine Oxenvad

Independent auditor's extended review report

To the shareholders of CN3 A/S

Conclusion

We have performed an extended review of the financial statements of CN3 A/S for the financial year 01.07.2022 - 30.06.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2023 and of the results of its operations for the financial year 01.07.2022 - 30.06.2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of Management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our conclusion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 28.09.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

René Winther Pedersen

State Authorised Public Accountant
Identification No (MNE) mne34173

Management commentary

Primary activities

The principal activities comprise consultancy within construction, technology and management, as well as software development.

Description of material changes in activities and finances

No events have occurred after the end of the financial year of material importance for the company's financial position.

Income statement for 2022/23

	Notes	2022/23 DKK	2021/22 DKK
Gross profit/loss		32,880,652	24,289,826
Staff costs	1	(15,450,610)	(13,218,863)
Depreciation, amortisation and impairment losses	2	(699,569)	(267,130)
Operating profit/loss		16,730,473	10,803,833
Other financial income	3	108,914	0
Other financial expenses		(37,445)	(110,692)
Profit/loss before tax		16,801,942	10,693,141
Tax on profit/loss for the year	4	(3,713,384)	(2,359,876)
Profit/loss for the year		13,088,558	8,333,265
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		5,100,000	5,100,000
Retained earnings		7,988,558	3,233,265
Proposed distribution of profit and loss		13,088,558	8,333,265

Balance sheet at 30.06.2023

Assets

	Notes	2022/23 DKK	2021/22 DKK
Completed development projects	6	0	514,048
Development projects in progress	6	14,900	100,000
Intangible assets	5	14,900	614,048
Other fixtures and fittings, tools and equipment		444,491	35,933
Property, plant and equipment	7	444,491	35,933
Deposits		749,012	249,842
Financial assets	8	749,012	249,842
Fixed assets		1,208,403	899,823
Trade receivables		16,102,461	14,065,994
Contract work in progress		0	90,266
Receivables from group enterprises		3,822,517	3,911,096
Deferred tax		0	195,876
Other receivables		0	58,710
Prepayments		723,340	415,085
Receivables		20,648,318	18,737,027
Cash		17,301,742	8,490,628
Current assets		37,950,060	27,227,655
Assets		39,158,463	28,127,478

Equity and liabilities

	Notes	2022/23 DKK	2021/22 DKK
Contributed capital		500,000	500,000
Reserve for development expenditure		11,622	478,957
Retained earnings		16,008,342	7,552,449
Proposed dividend		5,100,000	5,100,000
Equity		21,619,964	13,631,406
Deferred tax		91,489	0
Other provisions	9	4,933,000	1,833,000
Provisions		5,024,489	1,833,000
Income tax payable		2,975,124	1,976,348
Other payables		658,103	795,583
Non-current liabilities other than provisions	10	3,633,227	2,771,931
Bank loans		93,751	89,510
Trade payables		4,044,429	3,774,434
Income tax payable		0	1,415,032
Other payables		4,285,020	4,612,165
Deferred income		457,583	0
Current liabilities other than provisions		8,880,783	9,891,141
Liabilities other than provisions		12,514,010	12,663,072
Equity and liabilities		39,158,463	28,127,478

Contingent liabilities

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Statement of changes in equity for 2022/23

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	500,000	478,957	7,552,449	5,100,000	13,631,406
Ordinary dividend paid	0	0	0	(5,100,000)	(5,100,000)
Transfer to reserves	0	(467,335)	467,335	0	0
Profit/loss for the year	0	0	7,988,558	5,100,000	13,088,558
Equity end of year	500,000	11,622	16,008,342	5,100,000	21,619,964

Notes

1 Staff costs

	2022/23	2021/22
	DKK	DKK
Wages and salaries	14,325,534	12,194,097
Pension costs	937,215	843,805
Other social security costs	187,861	180,961
	15,450,610	13,218,863

Number of employees at balance sheet date	28	24
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Average number of full-time employees	21	20
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2 Depreciation, amortisation and impairment losses

	2022/23	2021/22
	DKK	DKK
Amortisation of intangible assets	317,072	228,571
Impairment losses on intangible assets	334,976	0
Depreciation of property, plant and equipment	47,521	38,559
	699,569	267,130

The Entity has as result of changes in technological industry, written down completed developments projects with DKK ('000) 335.

3 Other financial income

	2022/23	2021/22
	DKK	DKK
Financial income from group enterprises	13,867	0
Other interest income	4,205	0
Exchange rate adjustments	90,842	0
	108,914	0

4 Tax on profit/loss for the year

	2022/23	2021/22
	DKK	DKK
Current tax	3,426,019	2,186,348
Change in deferred tax	287,365	173,528
	3,713,384	2,359,876

5 Intangible assets

	Completed development projects DKK	Development projects in progress DKK
Cost beginning of year	2,805,000	100,000
Transfers	138,000	(138,000)
Additions	0	52,900
Cost end of year	2,943,000	14,900
Amortisation and impairment losses beginning of year	(2,290,952)	0
Impairment losses for the year	(334,976)	0
Amortisation for the year	(317,072)	0
Amortisation and impairment losses end of year	(2,943,000)	0
Carrying amount end of year	0	14,900

6 Development projects

During the year, the Company has further developed software for the daily operation and for the purpose of executing different processes and as a consequence hereof providing a financial benefit. The development work is expected to stretch over a longer period in step with the technological development.

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	572,380
Additions	456,079
Cost end of year	1,028,459
Depreciation and impairment losses beginning of year	(536,447)
Depreciation for the year	(47,521)
Depreciation and impairment losses end of year	(583,968)
Carrying amount end of year	444,491

8 Financial assets

	Deposits DKK
Cost beginning of year	249,842
Additions	751,896
Disposals	(252,726)
Cost end of year	749,012
Carrying amount end of year	749,012

9 Other provisions

The due dates for the liabilities provided for are expected to be in 0-1 years.

10 Non-current liabilities other than provisions

	Due after more than 12 months 2022/23 DKK	Outstanding after 5 years 2022/23 DKK
Income tax payable	2,975,124	0
Other payables	658,103	658,103
	3,633,227	658,103

11 Contingent liabilities

The Entity has entered into lease obligations, as at the time of the balance sheet constitute an annual rental payment of DKK ('000) 1,388 in the non-cancellation period, which expires on 30.11.2025.

The Entity has entered an operational lease agreement with an average annual lease payment of DKK ('000) 109. The lease agreement has a time to maturity of 9,5 months with a total residual lease payment of DKK ('000) 86.

The Entity participates in a Danish joint taxation arrangement where CN3 Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore secondarily liable for income taxes etc. for the jointly taxed entities, which is limited to the equity interest by which the entity participates in the Group, and also secondarily liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Change as a result of changed presentation

In the annual report for 2021/22, the capitalised payroll costs related to development projects (DKK 100,000 - decreased the staff cost) and other staff costs (DKK 464,378 - increased the staff cost), recognised in the staff costs, which was not in accordance with the gross principle of the Danish Financial Statements Act. The capitalised payroll costs were part of the item "Own work capitalised" and the other staff costs were part of the item "Other external expenses" presented under "Gross profit/loss".

The changed presentation has been integrated with the comparative figures of the annual report for 2022/23 and results in the item "Staff costs" has been decreased with DKK 364,378. The changed presentation does not impact the results for 2021/22 and has no impact on the equity or the balance sheet total for 2021/22.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, own work capitalised, other operating income, cost of sales and external expenses.

Revenue

Net revenue from sale of services is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT and taxes and less discounts related to the sale.

Contract work in progress related to construction contracts are recognised as the production progresses, by which the net revenue is equal to the sales value of the work performed for the year (the production method). This method is applied when the total income and costs regarding the contract and the degree of completion at the balance sheet date can be reliably assessed, and it is likely that the financial benefits will flow to the company.

When the result of contract work cannot be assessed reliably, revenue is only recognised corresponding to related costs to the extent that it is likely that they will be recovered.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

Other operating income

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets, operating loss and conflict compensations, as well as salary refunds. Compensations are recognised when the income is estimated to be realisable.

Cost of sales

Cost of sales/direct costs comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs for contract work, supplies and other costs with deductions of discounts.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, lease expenses, etc.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed and in progress.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 1-7 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-7 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet in receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period of 1-3 years.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.