

# **COWI International A/S**

Parallevej 2

2800 Kongens Lyngby

CVR-no. 36391081

## **Annual Report 2023**

10th financial year

The annual report was presented and adopted at the annual general meeting of the company on 10 April 2024

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Charlotte Bertelsen  
Chair

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## Statement by the Board of Directors and Executive Board

Today, the Board of Directors and the Executive Board considered and approved the annual report for the financial year 1 January – 31 December 2023 of COWI International A/S. The annual report has been prepared in accordance with the Danish Financial Statements Act. In our opinion, the accounting policies applied are appropriate and the accounting estimates made are adequate.

Furthermore, we find the overall presentation of the financial statement to be true and fair. In our opinion, the annual report gives a true and fair view of the company's assets, liabilities, equity and the activities for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

In our opinion, the management's review gives a fair presentation of the issues covered and describes the company's most material risks and uncertainties.

The annual report is recommended for approval at the annual general meeting.

Kongens Lyngby, 10 April 2024

### Executive Board

Rasmus Ødum  
Chief Executive Officer

### Board of Directors

Jens Højgaard Christoffersen  
Chair

Rasmus Ødum

Natalie G. Shaverdian Riise-Knudsen

## Independent Auditor's Report

### To the shareholders of COWI International A/S

#### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and the results of the Company's operations for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of COWI International A/S for the financial year 1 January – 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statements of changes in equity and notes ("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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's Responsibilities for the Financial Statement

Management is responsible for the preparation of the 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 enable the preparation of the 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 cease operations, or has realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statement

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 no 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 this 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 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 of 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 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 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 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, 10 April 2024

**PricewaterhouseCoopers**  
**Statsautoriseret Revisionspartnerselskab**  
CVR-no. 33771231

Søren Alexander  
State Authorised Public Accountant  
mne42824

Jeff Boye Ibsen  
State Authorised Public Accountant  
mne49859

## COWI International A/S

### Company Information

<b>The company</b>	COWI International A/S Parallelvej 2 2800 Kongens Lyngby CVR-no. 36391081 Registered office: Lyngby-Taarbæk
<b>Executive Board</b>	Jens Højgaard Christoffersen, Chair Rasmus Ødum Natalie G. Shaverdian Riise-Knudsen
<b>Board of Directors</b>	Rasmus Ødum, Chief Executive Officer
<b>Auditing</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup
<b>Ownership</b>	The company is 100% owned by COWI Holding A/S
<b>Consolidated financial statements</b>	<p>The company is included in the consolidated financial statements for COWI Holding A/S, Company Registration no. 32892973.</p> <p>The consolidated financial statements for COWI Holding A/S can be obtained at the following address:</p> <p>COWI Holding A/S Parallelvej 2 2800 Kongens Lyngby</p>

## **Accounting policies**

### **Reporting Class**

The 2023 annual report for COWI International A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act for medium-sized enterprises in reporting class B, and elective choice of certain provisions applying to reporting class C.

The annual accounts have been prepared according to the same accounting policies as last year.

### **Consolidated financial statements**

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of COWI Holding A/S, the company has not prepared consolidated financial statements. The consolidated financial statements for COWI Holding A/S can be found on the company website [www.cowi.com](http://www.cowi.com).

### **Foreign currency translation**

The financial statements for the company are presented in Danish kroner (DKK). The functional currency is DKK.

Transactions in foreign currencies are initially translated into the primary economic environment in which the company operates (the functional currency), applying rates approximating the exchange rates at the transaction date. Exchange rate adjustments arising due to differences between the rates at the transaction date and the rates at the payment date are recognised in financial income or financial costs in the income statement. Receivables, payables and other monetary items in foreign currencies not settled at the balance sheet date are translated at exchange rates prevailing at the balance sheet date. Exchange rate adjustments arising due to differences between the rates at the balance sheet date and the transaction date are recognised as financial income or financial costs in the income statement.

### **Recognition and measurement**

Income is recognised in the income statement as earned. Costs incurred in generating the revenue for the year are recognised in the income statement, including amortisation, depreciation and impairment losses.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each individual item below.

Certain financial assets and liabilities are measured at amortised cost to achieve a constant effective interest rate over the life of the asset or liability. Amortised cost is stated as original cost less any repayments plus or minus the cumulative amortisation of any difference between cost and nominal amount. In this way, capital losses and gains are amortised over the life of the asset or liability. Recognition and measurement take into consideration anticipated losses and risks 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.

### **Income statement**

#### **External costs**

External costs include administrative, office, marketing as well as other expenses.

#### **Financial income and costs**

Financial income and costs include interest and realised and unrealised foreign exchange gains and losses.

## **COWI International A/S**

### **Accounting policies**

#### **Income tax for the year**

The company is jointly taxed with the consolidated entities in the COWI Group, including foreign subsidiaries of COWI Holding A/S.

Income tax for the year, consists of current tax for the year, and is recognised in the income statement.

#### **Balance sheet**

##### **Investments in subsidiaries**

Investments in subsidiaries are initially recognised at cost and subsequently measured using the equity method so that the carrying amount of the investments constitutes the company's proportional share of the net assets of the entities. adjusted to recognise the company's share of the post-acquisition profits or losses and movements in equity. The difference between the cost and the fair value of net assets of the acquired company at the date of acquisition is considered goodwill and reflected in 'Investment in subsidiaries' in the balance sheet and amortised on a straight-line basis over the estimated useful life of the investment. Dividends received from subsidiaries reduce the value of the investment. Subsidiaries with a negative net asset value are recognised with zero value, but if the parent company has a legal or constructive obligation to cover the subsidiary's negative balance, a provision is recognised.

Profit after tax of investments in subsidiaries is recognised as a separate line in the income statement.

The basis of amortisation is determined by considering the asset's residual value after the end of the useful life of the asset, less any impairment losses. The amortisation period and the residual value are determined at the acquisition date and reassessed annually:

	<b>Useful life</b>
Goodwill	15-20 years

Gain and loss deriving from the sales of non-current financial assets is measured as the difference between the sales price reduced by selling costs and the book value at the time of sale. Gain and loss is recognised in the income statement under other operating income or other operating costs respectively.

##### **Receivables**

Receivables are recognised initially at fair value and subsequently measured at net realisable value, corresponding to amortised cost less provision for bad and doubtful debts.

##### **Equity**

###### **Reserve for net evaluation according to the equity method**

The reserve for net revaluation according to the equity method, comprises net revaluations of equity investments in subsidiaries relative to cost. This corresponds to recognised impact in the income statement and directly in equity and less dividends. The reserve can be eliminated in case of losses, realisation of equity investments or changes in accounting policies. The reserve cannot be recognised at a negative value.

###### **Reserve for exchange rate translations**

The translation reserve comprises exchange rate adjustments arising on the translation of the financial statements of foreign entities from their functional currencies into DKK.

Upon full or partial realisation of the net investment in foreign entities, exchange adjustments are recognised in the income statement.

##### **Dividends**

The management's proposed dividend distribution for the year is disclosed as a separate equity item.

##### **Financial liabilities**

Other accounts payable are measured at amortised cost, materially corresponding to nominal value.



**Accounting policies**

**Current tax receivables and liabilities**

Current tax receivables and liabilities are recognised net in the balance sheet as tax computed on taxable income for the year adjusted for tax on taxable income for previous years.

**Contingent liabilities**

Contingent liabilities are not recognised in the balance sheet but are disclosed only in the notes.

## Income statement 1 January – 31 December

	Note	2023 DKK	2022 DKK
External costs		-1,380,629	-3,634,912
<b>Gross profit</b>		<b>-1,380,629</b>	<b>-3,634,912</b>
<b>Operating profit</b>		<b>-1,380,629</b>	<b>-3,634,912</b>
Profit after tax in subsidiaries		109,260,816	70,716,566
Financial income	2	0	54,006
Financial costs	3	-8,758,835	-4,273,373
<b>Profit before tax</b>		<b>99,121,352</b>	<b>62,862,287</b>
Tax on profit for the year	4	1,926,789	931,484
<b>Profit for the year</b>		<b>101,048,141</b>	<b>63,793,771</b>
<b>Proposed distribution of profit for the year:</b>			
Reserve for net revaluation according to the equity method		109,260,816	70,716,566
Retained earnings		-8,212,675	-6,922,795
<b>Distribution of profit for the year</b>		<b>101,048,141</b>	<b>63,793,771</b>

COWI International A/S

Balance sheet at 31 December

	Note	2023 DKK	2022 DKK
<b>Assets</b>			
Investments in subsidiaries	5	530,105,079	393,655,955
<b>Non-current financial assets</b>		<b>530,105,079</b>	<b>393,655,955</b>
<b>Total non-current assets</b>		<b>530,105,079</b>	<b>393,655,955</b>
Tax receivables		1,929,539	931,484
<b>Total receivables</b>		<b>1,929,539</b>	<b>931,484</b>
<b>Total current assets</b>		<b>1,929,539</b>	<b>931,484</b>
<b>Total assets</b>		<b>532,034,618</b>	<b>394,587,439</b>
	Note	2023 DKK	2022 DKK
<b>Equity and liabilities</b>			
Share capital		1,000,000	1,000,000
Reserve for net revaluation according to the equity method		44,683,301	66,556,085
Reserve for exchange rate translations		-4,729,745	-2,555,000
Retained earnings		298,163,303	175,242,378
<b>Equity</b>		<b>339,116,859</b>	<b>240,243,463</b>
Amounts owed to group entities		192,917,759	153,843,976
Other accounts payables		0	500,000
<b>Total current liabilities</b>		<b>192,917,759</b>	<b>154,343,976</b>
<b>Total liabilities</b>		<b>192,917,759</b>	<b>154,343,976</b>
<b>Total equity and liabilities</b>		<b>532,034,618</b>	<b>394,587,439</b>
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## Statement of changes in Equity

	Share capital	Reserve for net revaluation according to the equity method	Reserve for exchange rate translations	Retained earnings	Total
<b>DKK</b>					
Equity at 1 January 2022	1,000,000	64,997,119	3,773,180	113,007,573	182,777,872
Profit for the year		70,716,566		-6,922,795	63,793,771
Currency translation adjustment, foreign subsidiaries			-6,328,180		-6,328,180
Dividend from subsidiaries		-69,157,600		69,157,600	0
<b>Equity at 31 December 2022</b>	<b>1,000,000</b>	<b>66,556,085</b>	<b>-2,555,000</b>	<b>175,242,378</b>	<b>240,243,463</b>
Profit for the year		109,260,816		-8,212,675	101,048,141
Currency translation adjustment, foreign subsidiaries			-2,174,745		-2,174,745
Dividend from subsidiaries		-131,133,600		131,133,300	0
<b>Equity at 31 December 2023</b>	<b>1,000,000</b>	<b>44,683,301</b>	<b>-4,729,745</b>	<b>298,163,303</b>	<b>339,116,859</b>

There have been no changes to the share capital for the last five years.

## Notes

**1. Employee conditions**

The company had no paid employees in 2022 and 2023.

DKK	2023	2022
<b>2. Financial income</b>		
Other financial income	0	54,006
<b>Financial income</b>	<b>0</b>	<b>54,006</b>
<b>3. Financial costs</b>		
Interest costs, Intercompany	8,753,837	4,209,030
Other financial costs	4,998	64,343
<b>Financial costs</b>	<b>8,758,835</b>	<b>4,273,373</b>
<b>4. Tax on profit for the year</b>		
Current tax for the year	1,929,539	931,484
Adjustment to current tax related to prior years	-2,750	0
<b>Tax on profit for the year</b>	<b>1,926,789</b>	<b>931,484</b>
<b>5. Investments in subsidiaries</b>		
Cost at 1 January	329,654,870	329,654,870
Additions	160,496,653	0
<b>Cost at 31 December</b>	<b>490,151,523</b>	<b>329,654,870</b>
Value adjustments at 1 January	64,001,085	68,770,299
Currency translation adjustment	-2,174,745	-6,328,180
Profit for the year	119,954,711	77,788,714
Received dividends	-131,133,600	-69,157,600
Amortisation of goodwill	-10,693,895	-7,072,148
<b>Value adjustments at 31 December</b>	<b>39,953,556</b>	<b>64,001,085</b>
<b>Carrying amount at 31 December</b>	<b>530,105,079</b>	<b>393,655,955</b>
<b>Of this, the value of goodwill</b>	<b>161.217.251</b>	<b>47,737,000</b>

## Notes

### 5. Entities owned by COWI International A/S

Name	Home	Ownership %
COWI Gulf A/S <sup>1</sup>	Denmark	100
COWI North America Holding Limited	USA	100
COWI Consulting Inc	USA	100
COWI North America Inc	USA	100
COWI North America Ltd	Canada	100
Finley Engineering Group, Inc	USA	100
COWI Czech Republic, s.r.o.	Czech Republic	100
COWI UK Limited	The UK	100
Flint & Niell Limited	The UK	100
COW Singapore Pte. Ltd.	Singapore	100
COWI Hong Kong Limited	Hong Kong	100
Mannvit hf.	Iceland	100
Mannvit-Verkís ehf.	Iceland	50
Vatnaskil ehf.	Iceland	65
Mannvit AS	Norway	100
Mannvit UK Ltd.	The UK	100
Land and water resource consultants Ltd.	The UK	80
Mannvit GmbH	Germany	100

<sup>1</sup>The company has branch offices in Bahrain and the UAE.

### 6. Related party transactions and ownership

COWI Holding A/S owns all shares in COWI International A/S.

Apart from usual intercompany transactions and usual management remuneration, no transactions were made during the year with the Board of Directors, the Executive Board, managerial employees, principal shareholders, other group companies or other related parties. Transactions with related parties at arm's length has not been disclosed in accordance with section 98 C(7) of the Danish Financial Statements Act.

### 7. Contingent liabilities

By virtue of its business operations, the company's subsidiaries are parties to legal disputes that can be expected in the course of its business operations. The management keeps all such involvements under constant review and makes provisions accordingly.

The Group's companies are jointly and severally liable for tax on the Group's jointly-taxed income etc. The total amount appears in the annual report for COWI Holding A/S, which is the management company in the joint taxation.

### Contingencies and other financial commitments

Guarantees of DKK 53.8 million have been provided to third parties on behalf of subsidiaries.

### 8. The company's principal services

The company's purpose is to act as a holding company in the COWI Group, as well as directly or via the holding of capital shares in other companies, to run consulting activities within engineering, the environment and social economy, as well as activities naturally linked to this.

**Notes**

**9. Events after the balance sheet date**

No events of material importance to the company's financial statements have occurred after the reporting date at 31 December 2023.