



Harbour Group Holding ApS

Amerikavej 1
6700 Esbjerg
CVR No. 36943378

Annual report 2022

The Annual General Meeting adopted the
annual report on 20.04.2023

Mikael Hedager Würtz
Conductor

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Entity details

Entity

Harbour Group Holding ApS

Amerikavej 1

6700 Esbjerg

Business Registration No.: 36943378

Registered office: Esbjerg

Financial year: 01.01.2022 - 31.12.2022

Executive Board

Kasper Svarrer

Kristian Svarrer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Dokken 8

6700 Esbjerg

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of Harbour Group Holding ApS for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022.

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.

Esbjerg, 20.04.2023

Executive Board

Kasper Svarrer

Kristian Svarrer

Independent auditor's report

To the shareholders of Harbour Group Holding ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Harbour Group Holding ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements 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 audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Entity'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 consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Entity'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 consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Statement on the management commentary

Management is responsible for the management commentary.

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

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit 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 the consolidated financial statements and the parent 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.

Esbjerg, 20.04.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jørn Jepsen

State Authorised Public Accountant
Identification No (MNE) mne24824

Management commentary

Financial highlights

	2022	2021	2020	2019	2018
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	92,968	92,735	74,679	84,465	77,618
Operating profit/loss	18,962	15,758	5,303	4,149	(5,515)
Net financials	(3,003)	(1,743)	(1,094)	(1,162)	(1,015)
Profit/loss for the year	10,849	10,198	7,796	2,220	(5,282)
Profit for the year excl. minority interests	10,849	10,198	8,192	2,982	(4,830)
Balance sheet total	223,551	219,859	117,843	128,315	114,946
Investments in property, plant and equipment	13,877	45,900	6,801	4,357	12,797
Equity	51,542	40,280	28,772	20,215	17,667
Equity excl. minority interests	51,542	40,280	28,772	21,479	18,169
Ratios					
Return on equity (%)	23.63	29.54	32.60	15.04	(21.70)
Equity ratio (%)	23.06	18.32	24.42	16.74	15.81

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity excl. minority interests * 100

Balance sheet total

Primary activities

The Company's primary activity is holding shares in affiliated companies. The Group's primary activities are shipping, freight forwarding, port agency, terminal services, warehousing, stevedoring and trade with chemicals.

Development in activities and finances

During the financial year, the company has achieved a satisfactory result.

Equity amount to 51.5 mDKK of a balance total sheet of 223.6 mDKK corresponding to a solvency ratio of 23.1% which is satisfactory. Liquidity has developed positively and satisfactorily.

Management believes that the income statement, balance sheet, cash flow statement, and accompanying notes contain all material information for the assessment of the company's profit in the past year and the financial position at the end of the year.

Profit/loss for the year in relation to expected developments

The profit for the year is in line with what was expected.

Outlook

We expect a positive result for 2023 in the range of 6,000 tDKK to 8,000 tDKK.

Environmental performance

The Group is environmentally conscious and is continuously working to reduce the environmental impact of Corporate operations.

Consolidated income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Gross profit/loss		92,968	92,735
Staff costs	1	(59,050)	(65,928)
Depreciation, amortisation and impairment losses	2	(14,956)	(11,049)
Operating profit/loss		18,962	15,758
Income from investments in associates		(33)	180
Other financial income		422	442
Financial expenses from group enterprises		21	0
Other financial expenses		(3,446)	(2,185)
Profit/loss before tax		15,926	14,195
Tax on profit/loss for the year	3	(5,077)	(3,997)
Profit/loss for the year	4	10,849	10,198

Consolidated balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Goodwill		73,209	80,181
Intangible assets	5	73,209	80,181
Land and buildings		49,010	43,223
Other fixtures and fittings, tools and equipment		9,785	12,781
Property, plant and equipment in progress		5,683	2,377
Property, plant and equipment	6	64,478	58,381
Investments in associates		4,732	2,270
Other investments		28	2,824
Deposits		25	25
Other receivables		374	374
Financial assets	7	5,159	5,493
Fixed assets		142,846	144,055
Manufactured goods and goods for resale		10,673	5,043
Inventories		10,673	5,043
Trade receivables		52,132	42,888
Contract work in progress		652	1,183
Receivables from group enterprises		1,640	4,065
Receivables from associates		0	2,950
Other receivables		14,470	16,586
Prepayments	8	1,078	1,071
Receivables		69,972	68,743
Cash		60	2,018
Current assets		80,705	75,804
Assets		223,551	219,859

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital		1,000	1,000
Retained earnings		46,542	39,280
Proposed dividend for the financial year		4,000	0
Equity		51,542	40,280
Deferred tax	9	4,060	4,487
Provisions		4,060	4,487
Mortgage debt		24,318	26,150
Bank loans		38,000	48,000
Lease liabilities		2,645	4,790
Other payables		15,511	15,966
Non-current liabilities other than provisions	10	80,474	94,906
Current portion of non-current liabilities other than provisions	10	16,154	16,106
Bank loans		27,121	16,651
Prepayments received from customers		406	157
Contract work in progress		4	5
Trade payables		27,518	27,700
Payables to group enterprises		0	2,970
Payables to owners and management		2	0
Joint taxation contribution payable		7,065	4,295
Other payables		9,205	12,302
Current liabilities other than provisions		87,475	80,186
Liabilities other than provisions		167,949	175,092
Equity and liabilities		223,551	219,859
Unrecognised rental and lease commitments	12		
Contingent liabilities	13		
Assets charged and collateral	14		
Transactions with related parties	15		
Group relations	16		
Subsidiaries	17		

Consolidated statement of changes in equity for 2022

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend for the financial year DKK'000	Total DKK'000
Equity beginning of year	1,000	39,280	0	40,280
Value adjustments	0	530	0	530
Tax of entries on equity	0	(117)	0	(117)
Profit/loss for the year	0	6,849	4,000	10,849
Equity end of year	1,000	46,542	4,000	51,542

Consolidated cash flow statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Operating profit/loss		18,962	15,758
Amortisation, depreciation and impairment losses		14,956	11,049
Working capital changes	11	(13,006)	(11,872)
Cash flow from ordinary operating activities		20,912	14,935
Financial income received		443	442
Financial expenses paid		(3,446)	(2,185)
Taxes refunded/(paid)		(2,851)	(4,781)
Cash flows from operating activities		15,058	8,411
Acquisition etc. of property, plant and equipment		(13,877)	(12,785)
Sale of property, plant and equipment		474	3,017
Sale of fixed asset investments		0	56
Acquisition of enterprises		(1,936)	(96,555)
Dividends received from associates		2,237	3,107
Loans		0	3,273
Cash flows from investing activities		(13,102)	(99,887)
Free cash flows generated from operations and investments before financing		1,956	(91,476)
Loans raised		0	75,127
Repayments of loans etc.		(14,384)	0
Change in short-term debt to bank		10,470	14,087
Cash flows from financing activities		(3,914)	89,214
Increase/decrease in cash and cash equivalents		(1,958)	(2,262)
Cash and cash equivalents beginning of year		2,018	4,019
Currency translation adjustments of cash and cash equivalents		0	261
Cash and cash equivalents end of year		60	2,018

Cash and cash equivalents at year-end are composed of:

Cash	60	2,018
Cash and cash equivalents end of year	60	2,018

Notes to consolidated financial statements

1 Staff costs

	2022 DKK'000	2021 DKK'000
Wages and salaries	54,385	60,685
Pension costs	3,909	4,536
Other social security costs	756	707
	59,050	65,928
Average number of full-time employees	82	126

	Remuneration of management 2022 DKK'000
Total amount for management categories	2,063
	2,063

2 Depreciation, amortisation and impairment losses

	2022 DKK'000	2021 DKK'000
Amortisation of intangible assets	6,972	3,486
Depreciation on property, plant and equipment	8,004	7,563
Profit/loss from sale of intangible assets and property, plant and equipment	(20)	0
	14,956	11,049

3 Tax on profit/loss for the year

	2022 DKK'000	2021 DKK'000
Current tax	5,504	4,281
Change in deferred tax	(427)	(284)
	5,077	3,997

4 Proposed distribution of profit/loss

	2022 DKK'000	2021 DKK'000
Ordinary dividend for the financial year	4,000	0
Retained earnings	6,849	10,198
	10,849	10,198

5 Intangible assets

	Goodwill DKK'000
Cost beginning of year	83,667
Cost end of year	83,667
Amortisation and impairment losses beginning of year	(3,486)
Amortisation for the year	(6,972)
Amortisation and impairment losses end of year	(10,458)
Carrying amount end of year	73,209

6 Property, plant and equipment

	Land and buildings DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Property, plant and equipment in progress DKK'000
Cost beginning of year	89,020	44,707	2,377
Additions	8,597	1,974	12,540
Disposals	0	(1,705)	(9,234)
Cost end of year	97,617	44,976	5,683
Depreciation and impairment losses beginning of year	(45,119)	(31,926)	0
Depreciation for the year	(3,488)	(4,516)	0
Reversal regarding disposals	0	1,251	0
Depreciation and impairment losses end of year	(48,607)	(35,191)	0
Carrying amount end of year	49,010	9,785	5,683
Recognised assets not owned by Entity	0	3,423	0

7 Financial assets

	Investments in associates DKK'000	Other investments DKK'000	Deposits DKK'000	Other receivables DKK'000
Cost beginning of year	20	2,824	25	374
Transfers	4,732	(4,732)	0	0
Additions	0	1,936	0	0
Disposals	(20)	0	0	0
Cost end of year	4,732	28	25	374
Revaluations beginning of year	2,250	0	0	0
Share of profit/loss for the year	(33)	0	0	0
Dividend	(2,200)	0	0	0
Reversal regarding disposals	(17)	0	0	0
Revaluations end of year	0	0	0	0
Carrying amount end of year	4,732	28	25	374

Associates	Registered in	Ownership %
Erria A/S	Køge	23.85
Kanalhusene Invest I ApS, likvideret	Esbjerg	33.33

8 Prepayments

Prepayments consists of prepaid insurance and licenses.

9 Deferred tax

	2022 DKK'000	2021 DKK'000
Intangible assets	(11)	(11)
Property, plant and equipment	4,163	4,659
Receivables	(54)	(24)
Liabilities other than provisions	(38)	(137)
Deferred tax	4,060	4,487

Changes during the year	2022 DKK'000	2021 DKK'000
Beginning of year	4,487	1,168
Recognised in the income statement	(427)	3,319
End of year	4,060	4,487

10 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK'000	Due within 12 months 2021 DKK'000	Due after more than 12 months 2022 DKK'000	Outstanding after 5 years 2022 DKK'000
Mortgage debt	1,902	1,908	24,318	18,046
Bank loans	12,291	12,684	38,000	0
Lease liabilities	1,944	1,401	2,645	0
Other payables	17	113	15,511	400
	16,154	16,106	80,474	18,446

11 Changes in working capital

	2022 DKK'000	2021 DKK'000
Increase/decrease in inventories	(5,630)	360
Increase/decrease in receivables	(1,907)	13,668
Increase/decrease in trade payables etc.	(5,469)	(33,252)
Other changes	0	7,352
	(13,006)	(11,872)

12 Unrecognised rental and lease commitments

	2022 DKK'000	2021 DKK'000
Total liabilities under rental or lease agreements until maturity	7,241	8,664

13 Contingent liabilities

	2021 DKK'000
Recourse and non-recourse guarantee commitments	250
Contingent liabilities	250

14 Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties.

Bank loans are secured by way of a deposited mortgage deed registered to the mortgagor on plant of DKK'000 9,000 nominal.

The carrying amount of mortgaged properties is DKK'000 53.409.

As security for remuneration of section 3, subsection 11 of the Mineral Oil Tax Act tDKK 9 has been deposited in bank.

15 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

16 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Kristian Svarrer Holding ApS, Esbjerg

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Kristian Svarrer Holding ApS, Esbjerg

17 Subsidiaries

	Registered in	Corporate form	Ownership %
Jutlandia Terminal Ejendomme ApS	Esbjerg	ApS	100.00
Jutlandia Terminal A/S	Esbjerg	A/S	100.00
A/S J. Lauritzens Eftf.	Esbjerg	A/S	100.00
Copco A/S	Esbjerg	A/S	100.00
Copco Chem A/S	Esbjerg	A/S	100.00

Parent income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Gross profit/loss	1	5,946	(9)
Staff costs	2	(6,471)	0
Depreciation, amortisation and impairment losses	3	(1,136)	0
Operating profit/loss		(1,661)	(9)
Income from investments in group enterprises		14,324	11,316
Financial expenses from group enterprises		(614)	(445)
Other financial expenses		(2,160)	(980)
Profit/loss before tax		9,889	9,882
Tax on profit/loss for the year	4	960	316
Profit/loss for the year	5	10,849	10,198

Parent balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Other fixtures and fittings, tools and equipment		2,900	0
Property, plant and equipment in progress		637	0
Property, plant and equipment	6	3,537	0
Investments in group enterprises		146,126	145,589
Investments in associates		4,732	0
Other investments		0	2,796
Financial assets	7	150,858	148,385
Fixed assets		154,395	148,385
Deferred tax	8	35	0
Other receivables		12,122	30
Joint taxation contribution receivable		925	316
Prepayments	9	186	0
Receivables		13,268	346
Current assets		13,268	346
Assets		167,663	148,731

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital		1,000	1,000
Reserve for net revaluation according to equity method		6,046	11,009
Retained earnings		40,496	28,271
Proposed dividend for the financial year		4,000	0
Equity		51,542	40,280
Bank loans		38,000	48,000
Other payables		15,000	15,000
Non-current liabilities other than provisions	10	53,000	63,000
Current portion of non-current liabilities other than provisions	10	12,673	12,684
Bank loans		2,362	3,226
Trade payables		545	0
Payables to group enterprises		46,273	29,488
Payables to owners and management		2	0
Other payables		1,266	53
Current liabilities other than provisions		63,121	45,451
Liabilities other than provisions		116,121	108,451
Equity and liabilities		167,663	148,731
Contingent liabilities	11		
Assets charged and collateral	12		
Related parties with controlling interest	13		
Transactions with related parties	14		

Parent statement of changes in equity for 2022

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed dividend for the year DKK'000	Total DKK'000
Equity beginning of year	1,000	11,009	28,271	0	40,280
Value adjustments	0	530	0	0	530
Tax of entries on equity	0	(117)	0	0	(117)
Profit/loss for the year	0	(5,376)	12,225	4,000	10,849
Equity end of year	1,000	6,046	40,496	4,000	51,542

Notes to parent financial statements

1 Gross profit/loss

Gross profit/loss contains other operating income, which includes billings to group enterprises of administrative services in total DKK'000 12.659.

2 Staff costs

	2022 DKK'000	2021 DKK'000
Wages and salaries	6,006	0
Pension costs	378	0
Other social security costs	87	0
	6,471	0
Average number of full-time employees	9	0

Remuneration

	of Management 2022 DKK'000
Total amount for management categories	26
	26

3 Depreciation, amortisation and impairment losses

	2022 DKK'000	2021 DKK'000
Depreciation on property, plant and equipment	1,136	0
	1,136	0

4 Tax on profit/loss for the year

	2022 DKK'000	2021 DKK'000
Change in deferred tax	(35)	0
Refund in joint taxation arrangement	(925)	(316)
	(960)	(316)

5 Proposed distribution of profit and loss

	2022 DKK'000	2021 DKK'000
Ordinary dividend for the financial year	4,000	0
Retained earnings	6,849	10,198
	10,849	10,198

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Property, plant and equipment in progress DKK'000
Additions	4,431	637
Disposals	(423)	0
Cost end of year	4,008	637
Depreciation for the year	(1,136)	0
Reversal regarding disposals	28	0
Depreciation and impairment losses end of year	(1,108)	0
Carrying amount end of year	2,900	637
Recognised assets not owned by entity	386	0

7 Financial assets

	Investments in group enterprises DKK'000	Investments in associates DKK'000	Other investments DKK'000
Cost beginning of year	120,380	0	2,796
Transfers	0	4,732	(4,732)
Additions	0	0	1,936
Cost end of year	120,380	4,732	0
Revaluations beginning of year	25,209	0	0
Adjustments on equity	413	0	0
Amortisation of goodwill	(6,972)	0	0
Share of profit/loss for the year	21,296	0	0
Dividend	(14,200)	0	0
Revaluations end of year	25,746	0	0
Carrying amount end of year	146,126	4,732	0

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

Investments in associates	Corporate form	Ownership %
ERRIA A/S	A/S	23.85
Kanalhusene Invest I ApS, likvideret	ApS	33.33

8 Deferred tax

	2022
	DKK'000
Property, plant and equipment	43
Other deductible temporary differences	(8)
Deferred tax	35

Changes during the year	2022
	DKK'000
Recognised in the income statement	35
End of year	35

Deferred tax assets

The management has per. 31.12.2022 recognized deferred tax asset of DKK'000 35 based on budgets which support full utilization of the tax asset.

9 Prepayments

Prepayments consist of prepaid insurance, lease payments and licenses.

10 Non-current liabilities other than provisions

	Due within 12 months	Due within 12 months	Due after more than 12 months
	2022	2021	2022
	DKK'000	DKK'000	DKK'000
Bank loans	12,291	12,684	38,000
Lease liabilities	382	0	0
Other payables	0	0	15,000
	12,673	12,684	53,000

11 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Kristian Svarrer Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividends 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.

12 Assets charged and collateral

Collateral provided for group enterprises

The Entity has guaranteed the subsidiaries' bank loans.

The subsidiaries' bank loans amount to DKK'000 16,353.

The Entity has deposited shares in Copco A/S and Copco Chem A/S as collateral for bank loans in Sydbank. The loans amounts to DKK'000 50,291. The accounting value of the deposited shares is DKK'000 85,794.

13 Related parties with controlling interest

Kristian Svarrer, Esbjerg owns Kristian Svarrer Holding ApS, Esbjerg, which owns 70% of Harbour Group Holding ApS, Esbjerg. Kristian Svarrer thus has a controlling influence on the company.

14 Transactions with related parties

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

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

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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

Staff costs

Staff costs comprise wages and salaries, 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, and gains and

losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Income from investments in associates

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after pro rata elimination of intra-group profits or losses.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc. from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, net capital or exchange losses on securities, 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.

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For other amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 12 years. A period of 12 years has been used because this is a niche where the lifetime is estimated to be longer than normal.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

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	2-10 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.

Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation periods used are 5 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Investments in associates

Investments in associates are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Investments in associates fall within the definitions of both participating interests and associates, yet in these consolidated financial statements they have been presented as investments in associates because this designation reflects more accurately the Group's involvement in the relevant entities.

Receivables

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

Other investments

Other investments comprise unlisted equity investments measured at the lower of cost and net realisable value.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

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 contract 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 under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

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.

Joint taxation contributions payable or receivable

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

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.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds

to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Lease liabilities

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

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.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.