DSI DANTECH

Freeze Holdco ApS

Parkvej 5
DK-9352 Dybvad

CVR no. 38 60 61 31

Annual report 2022

The annual report was presented and adopted at the Company's annual general meeting

on ________________________________ 20 ____

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chairman of the annual general meeting

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Freeze Holdco ApS for the financial year 1 January – 31 December 2022.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Dybvad, 21 April 2023
Executive Board:

Henrik Ziegler

Michael Bohl Brinks

Board of Directors:

Klaus Beyer Nielsen
Chairman

Ib Sand Nykjær

Andreas Steinacher

Oskar Emanuel Lindholm-Wu

Marianne Groven

Independent auditor's report

To the shareholders of Freeze HoldCo ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Freeze HoldCo ApS for the financial year 1 January – 31 December 2022. comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations and consolidated cash flows 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 consolidated financial statements and the parent company financial statements" section of our 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 responsibility for the consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent 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 consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or 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 consolidated financial statements and the parent company financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these consolidated financial statements and parent company 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 company 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 Parent 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 consolidated financial statements and the parent company 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 Parent 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 consolidated financial statements and the parent company 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 Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company 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.

Independent auditor's report

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the parent company financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent company financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the consolidated financial statements or the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the consolidated financial statements and the parent company 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 the Management's review.

Aalborg, 21 April 2023
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Steffen S. Hansen
State Authorised
Public Accountant
mne32737

Management's review

Company details

Freeze HoldCo ApS
Parkvej 5
DK-9352 Dybvad

CVR no.	38 60 61 31
Established:	28 April 2017
Registered office:	Frederikshavn
Financial year:	1 January – 31 December

Board of Directors

Klaus Beyer Nielsen, Chairman
Ib Sand Nykjær
Andreas Steinacher
Oskar Emanuel Lindholm-Wu
Marianne Groven

Executive Board

Henrik Ziegler
Michael Bohl Brinks

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havnegade 22D
DK-9000 Aalborg
CVR no. 25 57 81 98

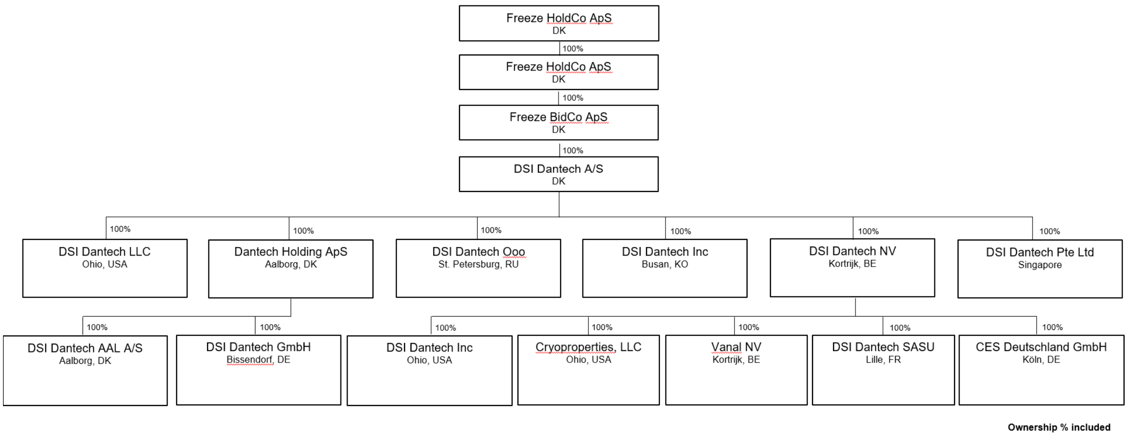
Annual general meeting

The annual general meeting will be held on 31 May 2023.

Management's review

Group chart

DSI Dantech Group structure



Management's review

Financial highlights for the Group

DKKm	2022	2021	2020	2019	2018
Revenue	535,236	-	-	-	-
Gross profit	145,292	135,788	102,968	94,644	99,149
Profit before depreciation, amortisation and financial income/expenses EBITDA)	-50,854	19,337	31,338	28,407	46,208
EBITDA adjusted for special items	-39,509	43,100	31,338	28,407	46,208
Operating profit/loss before financial income and expenses	-128,518	-36,988	-11,589	-14,520	3,668
Profit/loss from financial income and expenses	-18,126	-16,266	-14,162	-13,263	-12,316
Profit/loss for the year	-121,597	-50,796	-26,202	-28,198	12,187
Fixed assets	511,606	578,802	272,106	307,784	341,301
Current assets	218,628	216,366	66,504	73,170	55,729
Total assets	730,234	795,168	338,610	380,954	397,030
Equity	67,540	186,234	107,167	132,036	157,483
Provisions	50,308	70,013	29,299	30,165	29,402
Non-current liabilities other than provisions	348,626	349,028	148,605	158,804	167,205
Current liabilities other than provisions	263,760	189,893	53,539	59,949	42,940
Cash flows from operating activities	-2,640	-37,005	7,597	24,940	11,440
Cash flows from investing activities	-3,065	-384,780	-7,250	-9,386	-1,759
Portion relating to investments in property, plant and equipment	-19,244	-16,370	-5,763	-8,488	-1,970
Cash flows from financing activities	13,084	351,126	-10,199	-5,417	-9,562
Total cash flows	7,379	-70,659	-9,852	10,137	119
Return on invested capital	-16.9%	-7.1%	-4.1%	-4.5%	0.1%
Return on equity	-95.8%	-34.8%	-21.4%	-18.8%	-7.5%
Solvency ratio	9.2%	23.4%	31.6%	34.7%	39.7%
Average number of full-time employees	287	206	124	101	87

The financial ratios have been calculated as follows:

Return on invested capital $$\frac{\text{Profit/loss before financial income and expenses x 100}}{\text{Average invested capital}}$$

Invested capital: Operational intangible assets and property, plant and equipment as well as net working capital

Return on equity $$\frac{\text{Profit after tax x 100}}{\text{Average equity}}$$

Solvency ratio $$\frac{\text{Equity ex. non-controlling interests at year end x 100}}{\text{Total equity and liabilities at year end}}$$

Management's review

Operating review

The Group's principal activities

The DSI Dantech Group designs, manufactures, sells, installs and services plate freezing systems and associated automatic handling systems, mechanical freezing and tempering equipment as well as cryogenic freezing systems, primarily for the global food industry. Customers consist both of large global food groups as well as smaller regional and local food producers.

Development in activities and financial position

2022 was a difficult year for the Group, where in particular the impact of the sanctions towards Russia and the global turbulence on cost prices has had severe negative impact on both sales and cost levels. Furthermore earnings were impacted by one-off items relating to integration of companies acquired in 2021.

Earnings

The year 2022 resulted in a reported negative EBITDA of DKK 50.8 million compared to DKK 19.3 million in 2021. The 2021 results only include 7 months' EBITDA from the acquired activities.

EBITDA adjusted for non-recurring items amounted to DKK -39.5 million according to comments below.

Management considers results for the year dissatisfactory. However, to mitigate the loss-making activities, the Company made several adjustments during 2022 in relation to organisation, structure and procedures, and the basis for a strong 2023 has thus been set.

Cash flow and cash resources

Cash flows from operating activities amounted to a negative of DKK 2.6 million where operating loss is partly offset by strong working capital management.

End of 2022 capital resources are strengthened through shareholder loan and new bank agreement.

On that basis Management consider current cash resources to be sufficient.

Russian activities

The Group has for years been operating a sales office in Russia, but during 2022 the Group has seized the activities from this office due the war in Ukraine. A number of projects related to customers in Russia have been cancelled, and the Group has incurred losses in relation to write-down of inventories and loss on debtors as a result of the conflict.

In February 2022 the Group completed the acquisition of DSI Dantech Inc, Korea. The main market for this entity was the Russian fishing industry, and consequently all activities were closed during first half of 2022. As no short-term solution to the war seems apparent the Group are now in process of liquidating this entity.

Management's review

Operating review

Integration of acquired companies

In 2021, the group completed the acquisition of Cryogenic Equipment and Services NV with production, sales and service facilities in Belgium and the US, and Dantech Holding ApS and Dantech Freezing Systems Pte. Ltd. with main production, sales and service facilities in Denmark, Singapore and Germany. The integration of these entities has continued throughout 2022 with a focus on aligning internal procedures and systems. Both 2022 and 2021 are affected by significant one-off expenses related to the acquisitions processes and the subsequent integration effort. These costs, amounting to DKK 23.8 million (2021 DKK 23.8 million), are disclosed in note 27 of the annual report.

As part of the integration process, accounting methods in relation to the percentage of completion method has been further aligned, which has impacted the phasing of when revenue is recognized. The approach in 2022 is more prudent compared to 2021 and compared to 2021 this result in a later revenue recognition. The impact from this change is calculated to be in the level of DKK 24,2 million compared to 2021.

Outlook

DSI Dantech Group is starting 2023 with a solid order backlog and a healthy pipeline of potential projects. However, uncertainty in the global business environment is still high, and we still experience high volatility in global supply chains that will continue to put pressure on margins.

Based on the initiatives taken in 2022 management expects an increase in profitability for 2023 with a reported EBITDA expected to be in the range of DKK 30 – 60 million excluding non-recurring items (e.g. M&A and integration costs).

The financial performance in Q1 2023 supports these expectations.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Research and development activities

The group is investing in both new product development and in continuous improvements of the existing product portfolio, both areas are driven by own ideas as well as by input from markets and customers. This is to ensure that the group keeps up with market demands and expectations. In 2022, several new development projects were completed, and one patent application filed.

Based on the on-going development activities, the group expects to commercially launch several new products and solutions in 2023.

Intellectual capital

The DSI Group is a distinctly knowledge-based company. We have succeeded in continuous development and growth by attracting and retaining competent and highly educated talents, including engineers, developers, project managers, sales staff and administrative employees.

We continuously allocate considerable resources to process improvements aiming at increasing quality and efficiency. We invest in methods, processes as well as education of our employees. Accordingly, it is one of the goals of the Group to be and remain an attractive employer.

Management's review

Operating review

Operational and financial risks and instruments

The key risks in the business relate to the ability to deliver projects at a profitable margin. The Group has implemented project approval models and project execution models to ensure that all risks are identified and mitigated at an early stage.

The Board and the Executive Management regularly evaluate whether the capital structure of the Company and the Group is in accordance with our overall targets and supports long term sustainable economic growth.

The Company is financed through its own capital, as well as acquisition loan, overdraft facility, supplier credit, etc. Duration and interest risk are evaluated as appropriate for the Company and the Group.

Foreign exchange and credit risks relating to commercial activities are either naturally hedged or considered to be at an appropriately low level. Speculative foreign exchange transactions are not undertaken.

Corporate social responsibility

DSI Dantech Group has a general Code of Conduct addressing human rights, corruption and bribery etc. The Code of Conduct has been translated into the local languages of the main markets in which the group operates and has been presented to all employees. The Code of Conduct is also an integrated part of the onboarding of new employees. To support the enforcement of the code of conduct, a formalized and anonymous whistle blower system has been setup, the systems is accessible to both internal and external stakeholders via the company's website. In 2022 no concern were raised in the whistle blower system.

The group is further working actively with the UN Sustainable Development Goals which are integrated into the group strategy. Specifically, DSI Dantech can contribute to a reduction in food waste and the lowering of the carbon footprint for its customers.

Corruption and bribery

The group is operating globally and thus also in some markets where the risk of exposure to corruption and bribery is higher than in most Western European markets. Furthermore, the company uses agents in some markets. DSI Dantech is aware that the use of agents requires a structured and compliant approach.

As stated above, the company has a firm Code of Conduct on corruption and bribery with zero tolerance. The Code of Conduct has been translated into the local languages of the main markets in which the company operates and has been made available to both employees, customers, suppliers and other partners.

In relation to agents, the company is evaluating all agents and their respective business setups before entering into formal agent agreements. Commission payments will reflect the actual work carried out by the agent and is on an ongoing basis compared with the internal costs of sales.

The management did not become aware of any corruption or bribery case in 2022.

In the coming years, DSI Dantech will continue to focus on this important topic and will handle any violations of the code of conduct that might surface, either directly or through the whistle-blower swiftly.

Environment

Overall, DSI Dantech is focusing on efficiency and reduction of energy consumption both within the production process and in our products' performance at customer site. This focus is also highlighted in our company purpose “We commit to optimizing your results and contribute to protecting our environment".

We play an active role in minimizing our customers' environmental footprint by reducing energy, water, and chemical consumption. Our solutions are the fastest on the market.

Management's review

Operating review

When we reduce the freezing time by up to 50 %, we also reduce the energy consumption accordingly. Likewise, many of our solutions can run for 10 days without defrosting in contrast to common machinery that require defrosting every day or every second day. This is not only good for the production numbers, but it also minimizes wastewater as well as water and chemical consumption for cleaning.

It takes resources to produce thermal treatment equipment. Therefore, we focus on developing solutions that run for many years – and some of our freezers from the 1990s are still in service today. DSI Dantech's main raw materials are aluminium and steel which are both energy intensive materials and thus, has a high impact on our carbon footprint. Scrap steel and aluminium is sorted and is then either reused in production or sold as scrap metal.

Our site and production managers across the globe, as well as technical designers, have focus on continuous improvement of our products' carbon footprint. Moreover, in order to have a better overview, data for the year 2022 for scope 1 (company cars & vans, welding gas), 2 (electricity, oil, gas and district heating) and partly 3 (waster and water supply) has been collected for all sites. This data will be used for further optimization and awareness creation amoung the employees.

There have not been identified any specific environmental risks.

Human rights

As per the Code of Conduct, DSI Dantech supports and respects the international human rights contained in the International Bill of Human Rights. Our international business structure entails inherent risks of human rights violations.

We respect the privacy of our customers and employees and work to ensure non-discrimination and equal opportunities. This applies internally in respect to our employees as well as externally in our value chain. DSI Dantech provides our employees with an employment framework that follows applicable laws and collective agreements.

We will continue focusing on human rights internally, as well as in our external corporation with customers and suppliers.

The Group has throughout 2022 actively engaged with our customers and suppliers on an ongoing basis. The management did not become aware of violations of human rights in 2022. The Group will continue the active engagement with our customers and suppliers in the future.

Employees

DSI Dantech provides our employees with a safe and healthy working environment and protects its employees against any corporal punishment or harassment- both being anchored in our global Health and Safety Policy. As part of Operations management review, we are reporting and monitoring workplace-related accidents and injuries.

In 2022, focus has generally been restructuring the organization to mitigate the harsh business climate, which has involved both lay-offs and reorganizing roles and responsibilities.

Management's review

Operating review

In order to keep the focus and improve the health and well-being of our employees, several initiatives have been running:

- DSI's work environment organisation (AMO) has ongoing meetings throughout the year and has close dialogue with employees and management about improvement areas.
- In DSI's corporation committee (SU), representatives from employees and management meet 4 times annually. Here it is also discussed whether there are any overall issues to be addressed.
- Managers have ongoing 1:1 with employees (at least every 6 weeks). The agenda is both task, development and well-being oriented.
- Local "success" sharing and celebrations (cake, common breakfast etc.).
- Employee discounts (DK): fitness centre; free eye test, etc.

Management will continuously strive for improvement and therefore plan additional initiatives, for example conducting an employee satisfaction survey as well as shaping a new operating model in 2023.

Goals and policies for the underrepresented gender

DSI Dantech operates in an industry where women historically have been underrepresented. The group, however, strongly believes in equal employment opportunities and diversity among employees and is thus working actively to increase the share.

DSI Dantech's Board of Directors consists of five members; 1 women and 4 men. We have therefore achieved the goal of increasing the female board representation to 20% in 2022 (0% in 2021) and we continue to strive for an even more balanced gender split on the board of directors over the time. We will aim to add one more female board member by 2025.

In the group management, the share of women was at 20% throughout majority of 2022; considering the historical representation of women in the industry, this is considered acceptable. For the remaining management positions in DSI Dantech, women constitute 10%.

Overall, 11% of the employees are women. By actively ensuring that female candidates are included in recruitment processes, and by working with local universities and technical colleges to attract diverse talent, the target is to increase the share across both functional and management levels. Further, our Employer Branding Strategy is focused on attracting both genders, through both visualization and employees' testimonials.

Reporting on data ethics

As DSI Dantech is not processing any sensitive data, there is no specific policy for this area in place. DSI Dantech respects and follows GDPR rules.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Income statement

		Group		Parent Company	
DKK'000	Note	2022	2021	2022	2021
Revenue	2	535,286	-	0	0
Costs of raw materials and consumables, including changes in inventories		-297,988	-	0	0
Other operating income		6,371	-	0	0
Other external costs	3	-98,377	-	-101	-80
Gross profit		145,292	135,788	-101	-80
Staff costs	4	-196,065	-115,449	0	0
Depreciation/amortisation of and impairment losses on property, plant and equipment and intangible assets		-77,664	-56,325	0	0
Other operating costs		-81	-1,002	0	0
Profit/loss before financial income and expenses		-128,518	-36,988	-101	-80
Result from equity investments in subsidiaries		0	0	-121,517	-51,030
Other financial income	5	1,173	642	0	333
Other financial expenses	6	-19,299	-16,908	-1	-185
Profit/loss before tax		-146,644	-53,254	-121,619	-50,962
Tax on profit/loss for the year	7	25,047	2,458	22	-14
Profit/loss for the year	8	-121,597	-50,796	-121,597	-50,976

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	Group 31/12 2022	Group 31/12 2021	Parent Company 31/12 2022	Parent Company 31/12 2021
ASSETS					
Fixed assets					
Intangible assets	9				
Completed development projects		12,460	9,765	0	0
Technologies		88,319	104,449	0	0
Brands		18,115	20,695	0	0
Customer relationships		54,690	71,637	0	0
Goodwill		272,207	297,860	0	0
Development projects in progress		0	4,525	0	0
		445,791	508,931	0	0
Property, plant and equipment	10				
Land and buildings		11,617	24,370	0	0
Fixtures and fittings, tools and equipment		22,084	25,004	0	0
Leasehold improvements		17,456	7,669	0	0
Property, plant and equipment under construction		12,432	10,475	0	0
		63,589	67,518	0	0
Investments					
Equity investments in subsidiaries	11	0	0	57,027	174,435
Deposits		2,226	2,353	0	0
		2,226	2,353	57,027	174,435
Total fixed assets		511,606	578,802	57,027	174,435

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	Group 31/12 2022	Group 31/12 2021	Parent Company 31/12 2022	Parent Company 31/12 2021
ASSETS (continued)					
Current assets					
Inventories					
Raw materials and consumables		57,616	30,535	0	0
Work in progress		8,771	7,256	0	0
Finished goods and goods for resale		95	54	0	0
		66,482	37,845	0	0
Receivables					
Trade receivables		57,244	63,651	0	0
Contract work in progress	12	52,084	86,315	0	0
Receivables from subsidiaries		0	0	60,461	10,649
Corporation tax receivable		0	0	0	804
Other receivables		13,819	10,151	0	0
Prepayments	13	689	2,194	0	0
		123,836	162,311	60,461	11,453
Cash at bank and in hand		28,310	16,210	29	24
Total current assets		218,628	216,366	60,490	11,477
TOTAL ASSETS		730,234	795,168	117,517	185,912

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

		Group		Parent Company	
DKK'000	Note	31/12 2022	31/12 2021	31/12 2022	31/12 2021
EQUITY AND LIABILITIES					
Equity					
Contributed capital	14	32,844	32,825	32,844	32,825
Retained earnings		30,920	153,014	36,028	153,014
Reserve for hedge		3,776	0	0	0
Shareholders in Freeze HoldCo ApS' share of equity		67,540	185,839	68,872	185,839
Non-controlling interests		0	395	0	0
Total equity		67,540	186,234	68,872	185,839
Provisions					
Provisions for deferred tax	15	42,135	67,992	0	0
Other provisions	16	8,143	2,021	0	0
Total provisions		50,308	70,013	0	0
Liabilities other than provisions					
Non-current liabilities other than provisions	17				
Shareholder loan		44,227	0	44,227	0
Mortgage debt		1,954	2,337	0	0
Bank debt		296,206	317,335	0	0
Lease liabilities		2,743	3,032	0	0
Other payables		3,496	26,324	0	0
		348,626	349,028	44,227	0
Current liabilities other than provisions					
Short-term part of long-term liabilities	17	23,295	33,030	0	0
Credit facility		24,003	19,282	0	0
Contract work in progress	12	112,760	48,021	0	0
Trade payables		49,215	67,013	75	73
Payables to participating interests		0	612	0	0
Other payables	17	53,340	21,775	4,343	0
Deferred income	18	1,147	160	0	0
		263,760	189,893	4,418	73
Total liabilities other than provisions		612,386	538,921	48,645	73
TOTAL EQUITY AND LIABILITIES		730,234	795,168	117,517	185,912

Consolidated financial statements and parent company financial statements 1 January – 31 December

Statement of changes in equity

	Group			
DKK'000	Contributed capital	Retained earnings	Reserve hedging instruments	Total
Equity at 1 January 2022	32,825	153,014	0	185,839
Capital increase	19	502	0	521
Distribution of loss	0	-121,597	0	-121,597
Exchange rate adjustment, foreign subsidiary	0	333	0	333
Acquisition non-controlling interest	0	-1,332	0	-1,332
Value adjustment of hedging instruments:				
Value adjustment for the year	0	0	4,841	4,841
Tax on items under equity	0	0	-1,065	-1,065
Equity at 31 December 2022	32,844	30,920	3,776	67,540

	Parent Company		
DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2022	32,825	153,014	185,839
Capital increase	19	502	521
Distribution of loss	0	-121,597	-121,597
Exchange rate adjustment, foreign subsidiary	0	333	333
Value adjustment of hedging instruments:			
Value adjustment for the year	0	4,841	4,841
Tax on items under equity	0	-1,065	-1,065
Equity at 31 December 2022	32,844	36,028	68,872

Consolidated financial statements and parent company financial statements 1 January – 31 December

Cash flow statement

DKK'000	Note	Group 2022	Group 2021
Profit/loss for the year		-121,597	-50,796
Other adjustments of non-cash operating items	19	52,549	42,894
Cash generated from operations before changes in working capital		-69,048	-7,902
Changes in working capital	20	70,860	-28,973
Cash generated from operations		1,812	-36,875
Corporation tax paid		-4,452	-130
Cash flows from operating activities		-2,640	-37,005
Acquisition of intangible assets	9	-524	-12,463
Acquisition of property, plant and equipment	10	-19,244	-16,370
Disposal of property, plant and equipment	10	18,303	765
Acquisition of subsidiaries and activities	21	-1,772	-355,322
Acquisition of financial assets		172	-1,390
Cash flows from investing activities		-3,065	-384,780
External financing:			
Repayment of long-term liabilities		-31,664	-158,819
Proceeds from incurring long-term liabilities		44,227	379,928
Cash payments concerning formation of entity from non-controlling interests		0	17
Shareholders:			
Distributed dividends		0	0
Cash capital increase		521	130,000
Cash flows from financing activities		13,084	351,126
Cash flows for the year		7,379	-70,659
Cash and cash equivalents at the beginning of the year		-3,072	9,528
Increase of cash and cash equivalents from acquisitions		0	58,059
Cash and cash equivalents at year end		4,307	-3,072

Consolidated financial statements and parent company financial statements 1 January – 31 December

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1 Accounting policies

The annual report of Freeze HoldCo ApS for 2022 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the consolidated financial statements and the parent company financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/ loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/ loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders. Investments in associates and joint ventures are recognised in the consolidated financial statements using the equity method.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree. The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

- Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under “Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

- Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

- Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

- The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed, and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

- Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

- Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

- Gains or losses from disposal of subsidiaries which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Fair value adjustments of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement on an ongoing basis.

Income statement

Revenue

The Company has chosen IAS 11/ IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Income from construction contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from a construction contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

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Notes

1 Accounting policies (continued)

Other operating income

Other operating income comprises items secondary to the activities of the Company, including gains on the disposal of intangible assets and property, plant and equipment.

Other external costs

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Other operating costs

Other operating costs comprise items secondary to the activities of the Group, including losses on the disposal of intangible assets and property, plant and equipment.

Amortisation/depreciation

The item comprises amortisation/ depreciation of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

The basis of amortisation/ depreciation, which is calculated as cost less any residual value, is amortised/ depreciated on a straight-line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	5 years
Technologies	10 years
Brands	10 years
Customer relationships	5 years
Goodwill	10-15 years
Land and buildings	10-40 years
Plant and machinery	5-10 years
Fixtures and fittings, other plant and equipment	5-10 years
Leasehold improvements	5-10 years

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Profit/ loss from equity investments in subsidiaries

A proportionate share of the underlying entities' profit/ loss after tax is recognised in the income statement according to the equity method. Shares of profit/ loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/ losses is made for equity investments in subsidiaries.

The proportionate share of the individual subsidiaries' profit/ loss after tax after full elimination of internal gains/ losses are recognised in the Parent Company's income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g., from group entities, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax on profit/loss for the year

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/ loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Intangible assets include goodwill, development projects, technologies, brands and customer relationships and are amortised over the expected economic life of the asset.

Goodwill is amortised on a straight-line basis over the amortisation period, which is between 10 and 15 years. The amortisation period is fixed on the basis of the expected repayment horizon and is longest for strategically acquired entities with strong market positions and long-term earnings profiles.

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 5 years.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

The cost of self-constructed assets includes the cost of direct materials and labour, etc. directly used in the production process and a portion of the relating production overheads.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Group are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Group's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Investments

Equity investments in subsidiaries and associates are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e., plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/ loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/ losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

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Notes

1 Accounting policies (continued)

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in subsidiaries and participating interests (including associates) is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

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Notes

1 Accounting policies (continued)

Contract work in progress

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Equity

Dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Reserve for hedging instruments

Adjustment of hedging instruments (cash flow hedge) is recognised as a separate reserve in equity. The reserve is dissolved and recognised in the income statement as the amounts are realised. The reserve is distributable and available for dividend distribution.

Reserve for foreign currency translation

Exchange adjustment of foreign entities and net investments therein are recognised in a separate reserve for foreign currency translation in equity. The reserve is dissolved and recognised in the income statement as the amounts are realised. The reserve is distributable and therefore available for dividend distribution.

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Notes

1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/ loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Warranty commitments include expenses for remedial action in respect of the contract work within the warranty period of 1-2 years. Provisions for warranty commitments are measured at net realisable value and recognised based on past experience.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/ loss for the year adjusted for non-cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short-term securities which are readily convertible into cash, and which are subject only to insignificant risks of changes in value.

Segment information

Segment information is provided on geographical markets. The segment information is in line with the Group's accounting policies, risks and internal financial management. Activities are considered one segment.

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2 Segment information

Geographical

DKK'000	Europe	Other countries	Total
2022			
Revenue	288,717	246,569	535,286

Activities is considered as one segment.

3 Fees to auditors appointed at the general meeting

	Group
DKK'000	2022
Statutory audit services	548,0
Tax services	72,5
Other assurance services	0,0
Other services	287,5
	908,0

4 Staff costs and incentive schemes

	Group		Parent Company	
DKK'000	2022	2021	2022	2021
Wages and salaries	185,421	106,974	0	0
Pensions	8,202	6,674	0	0
Other social security costs	2,442	1,801	0	0
	196,065	115,449	0	0
Average number of full-time employees	287	206	2	1

Staff costs of the Group include remuneration of the Parent Company's Executive Board and Parent Company's Board of Directors, totalling DKK 4,431 thousand (2021: DKK 3,253 thousand).

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		Group		Parent Company	
	DKK'000	2022	2021	2022	2021
5	**Other financial income**				
	Interest income from subsidiaries	0	0	0	328
	Other interest income	1,173	642	0	5
		1,173	642	0	333
6	**Other financial expenses**				
	Interest expense to subsidiaries	0	0	0	0
	Other interest expense	-19,299	-16,908	-1	-185
		-19,299	-16,908	-1	-185
7	**Tax on profit/loss for the year**				
	Current tax for the year	1,875	4,526	0	0
	Tax adjustments, prior year	0	2,003	0	0
	Refund in joint taxation	0	-4,165	0	0
	Deferred tax adjustment for the year	-26,922	-4,822	22	14
		-25,047	-2,458	22	14
8	**Proposed distribution of loss**				
	Reserve for net revaluation according to the equity method	0	0	0	0
	Retained earnings	-121,597	-50,976	-121,597	-50,976
	Non-controlling interests' share of subsidiaries' profit/loss	0	180	0	0
		-121,597	-50,796	-121,597	-50,976

Consolidated financial statements and parent company financial statements 1 January – 31 December

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9 Intangible assets

DKK'000	Completed development projects	Technologies	Brands	Customer relationships	Goodwill	Development projects in progress	Total
	Group						
Cost at 1 January 2022	10,619	162,315	25,800	89,400	406,830	4,525	699,489
Additions	524	0	0	0	0	0	524
Transferred	4,525	0	0	0	0	-4,525	0
Cost at 31 December 2022	15,668	162,315	25,800	89,400	406,830	0	700,013
Amortisation and impairment losses at 1 January 2022	-854	-57,866	-5,105	-17,763	-108,970	0	-190,558
Impairment losses	0	0	0	0	0	0	0
Amortisation	-2,354	-16,130	-2,580	-16,947	-25,653	0	-63,664
Reversed amortisation and impairment losses	0	0	0	0	0	0	0
Amortisation and impairment losses at 31 December 2022	-3,208	-73,996	-7,685	-34,710	-134,623	0	-254,222
Carrying amount at 31 December 2022	12,460	88,319	18,115	54,690	272,207	0	445,791

Prepared impairment test supports that no impairment is made of goodwill and related assets.

Consolidated financial statements and parent company financial statements 1 January – 31 December

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10 Property, plant and equipment

	Group				
DKK'000	Land and buildings	Fixtures and fittings, tools and equip-ment	Lease-hold improve-ments	Property, plant and equip-ment under construct-ion	Total
Cost at 1 January 2022	37,073	56,290	15,157	10,475	118,995
Foreign exchange adjustments in foreign entities	0	0	0	0	0
Additions	125	5,168	11,994	1,957	19,244
Transferred	0	0	0	0	0
Disposals	-14,660	-1,111	-6,987	0	-22,758
Cost at 31 December 2022	22,538	60,347	20,164	12,432	115,481
Depreciation and impairment losses at 1 January 2022	-12,703	-31,286	-7,488	0	-51,477
Foreign exchange adjustments in foreign entities	0	0	0	0	0
Impairment losses	0	0	0	0	0
Depreciation	-875	-8,078	-2,207	0	-11,160
Depreciation on disposals	2,657	1,101	6,987	0	10,745
Reversed depreciation and impairment losses	0	0	0	0	0
Depreciation and impairment losses at 31 December 2022	-10,921	-38,263	-2,708	0	-51,892
Carrying amount at 31 December 2022	11,617	22,084	17,456	12,432	63,589
Assets held under finance leases	0	718	0	0	0

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11 Investments

Equity investments in subsidiaries

DKK'000	Parent Company 2022
Cost at 1 January	301,962
Additions	0
Cost at 31 December	301,962
Value adjustments at 1 January	-127,527
Foreign exchange adjustments	333
Adjustment of hedging instruments	3,776
Profit/loss for the year	-121,517
Impairment losses at 31 December	-244,935
Carrying amount at 31 December	57,027

Name/legal form	Registered office	Equity interest
Subsidiaries:		
Freeze BidCo ApS	Frederikshavn	100%

12 Contract work in progress

	Group	
DKK'000	31/12 2022	31/12 2021
Selling price of work performed	456,615	358,117
Progress billings	-482,908	-319,823
	-26,293	38,294
that can be specified as follows:		
Contract work in progress (assets)	52,084	86,315
Contract work in progress (liabilities)	-112,760	-48,021
	-60,676	38,294

Consolidated financial statements and parent company financial statements 1 January – 31 December

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13 Prepayments

Group Prepayments include accrual of expenses relating to subsequent financial years, including insurance policies, subscriptions and trade fair costs, etc.

14 Contributed capital

Contributed capital consists of:

A shares, 10,619,154 shares of nom. DKK 1.00 each
B shares, 22,224,420 shares of nom. DKK 1.00 each

During the year, 18,367 new equity investments of nom. DKK 1 have been subscribed for.

All shares rank equally.

15 Deferred tax

	Group	Parent Company
DKK'000	31/12 2022	31/12 2021
Deferred tax at 1 January	67,992	0
Deferred tax adjustment for the year in the income statement	-26,922	0
Tax on equity transactions	1,065	0
	42,135	0

Deferred tax liabilities concern deferred tax regarding mainly intangible assets and contract work in progress. Tax assets related to carryforward losses is offset against the liability.

16 Other provisions

Group

Other provisions relates to warranty.

Warranty period is usually up to 2 years and therefore provisions mainly relate to sold solutions during 2021 and 2022.

The Group expects to settle the majority of the liability over the next year.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

17 Non-current liabilities other than provisions

Group

Liabilities other than provisions can be specified as follows:

DKK'000	Total debt at 31/12 2022	Repay-ment within one year	Outstan-ding debt after 5 years
Shareholder loan	44,227	0	44,227
Mortgage debt	2,342	388	404
Bank debt	154,147	21,000	0
Leasing	4,372	1,907	0
Other payables	3,496	0	3,496
	208,584	23,295	48,127

Non-current liabilities included contingent consideration DKK 22,700 end of 2021, which is included as current liability end of 2022.

18 Deferred income

Deferred income of DKK 1,147 thousand (2021: DKK 160 thousand) comprises payments received from customers that cannot be recognised until the subsequent financial year.

19 Other adjustments

	Group	
DKK'000	2022	2021
Depreciation and amortisation	77,664	56,325
Gains on the disposal of fixed assets	-6,290	-451
Provisions	6,222	-2,357
Financial income and expense	0	-8,165
Tax on profit/loss for the year	-25,047	-2,458
	52,549	42,894

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20 Changes in working capital

	Group	
DKK'000	2022	2021
Change in inventories	-28,637	-3,729
Change in receivables	38,475	-121,195
Change in trade and other payables	78,881	95,951
Adjustment fair value of hedging instruments recognised as other receivable	4,841	0
Adjustment of contingent consideration recognised as other payables	-22,700	0
	70,860	-28,973

21 Acquisition of subsidiaries and activities

During 2021 the Group acquired 100% of the Danish-based Dantech A/S and Belgium-Based CES and its related entities.

Acquisition during the year relate to purchase of non-controlling interests.

Assets, liabilities and contingencies in connection with the acquisition were identified and recognised in the pre-acquisition balance sheet at fair value.

22 Contractual obligations, contingencies, etc.

Contingent liabilities

Group

Through credit institutions, the Group has provided guarantees of DKK 22,634 thousand as well as ordinary warranties for work done.

Rent and lease liabilities include a rent obligation and liabilities under operating leases for cars and IT equipment, totalling DKK 70,778 thousand, with remaining contract terms of 1-12 years.

Parent company

As management company, the Company is jointly taxed with other Danish group entities. The Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

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23 Collateral

Group

Land and buildings at a carrying amount of DKK 10,988 thousand at 31 December 2022 have been put up as collateral for debt to mortgage credit institutions, totalling DKK 2,342 thousand.

As collateral for bank debt, the Company has issued owner's mortgages of DKK 4,000 thousand, providing security on land and buildings.

The Group has provided a company charge of DKK 5,500 thousand to credit institutions. As of 31 December 2022, the company charge comprises goodwill, property, plant and equipment, inventories and receivables with a carrying amount of approx. DKK 60,000 thousand.

Parent Company

Shares of a nominal amount of DKK 20,000 thousand in Freeze BidCo ApS, at a carrying amount of DKK 60,133 thousand on 31 December 2022, have been put up as collateral for the Group's engagements with SEB AB.

24 Currency and interest rate risks and the use of derivative financial instruments

As part of the hedging of recognised and unrecognised transactions, the Group makes use of hedging instruments such as interest swaps.

No currency risks are hedged at year end.

Interest rate risks

The Group hedges interest rate risks by means of interest rate swaps whereby floating interest payments are converted to fixed interest payments. The hedged cash flows are expected to be realised and will affect results over the remaining term of the swap.

	2022			
DKK'000	Notional amount	Value adjust-ment recogni-sed in equity	Fair value	Remai-ning term
Interest rate swaps	162,750	4,841	4,841	12 months

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25 Related party disclosures

Procuritas Capital Investors VI AB, Stockholm, Sweden controls the majority of the share capital in the Company.

The consolidated financial statements of Freeze HoldCo ApS are the smallest and largest groups, respectively, in which the Company is included.

In addition to above parent companies Freeze HoldCo ApS' related parties furthermore comprise sister companies controlled by the above Parent Company and its Executive Board and Board of Directors as well as their close family members and controlled companies.

Remuneration to the Parent Company's Executive Board and Board of Directors is disclosed in note 4.

Loans to shareholders and receivables from and payables to participating are disclosed in the balance sheet, and interest expense and income is disclosed in notes 5 and 6.

26 Special items

	Group	
DKK'000	2022	2021
Acquisition costs and integration costs	17,716	23,763
Gain from sale of property	-6,371	0
	11,345	23,763

27 Events after the balance sheet date

No events have occurred after the balance sheet date that would influence the assessment and evaluation of this annual report in any material way.