Tecnibygg ApS

Lyngbyvej 20, 2., 2100 København Ø

Company reg. no. 41 68 66 26

Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 23 June 2023.

Paulo José Pereira Ramos
Chairman of the meeting

Contents

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's statement

Today, the Executive Board has approved the annual report of Tecnibygg ApS for the financial year 1 January - 31 December 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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

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

København Ø, 23 June 2023

Executive board

Rui André De Matos Oliveira Neto	Paulo José Pereira Ramos

Independent auditor's report on extended review

To the Shareholders of Tecnibygg ApS

Qualified opinion

We have performed an extended review of the financial statements of Tecnibygg ApS for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, except for the item described in the “Basis for Qualified Opinion” section of our report, the financial statements give a true and fair view of the Company's financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Qualified Opinion

Receivables from sales, is recognized in the balance sheet with DKK 6,97 million. As a result of a creditnote issued in 2023, revenue and receivables from sales are, in our opinion, overstated by DKK 3,46 million. Including the tax effect of this, the year's profit and equity is overstated by DKK 2,77 million.

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor’s responsibilities for the extended review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management’s Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report on extended review

Auditor's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a opinion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our opinion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our opinion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

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

Statement on the Management's Review

Management is responsible for the Management's Review.

Our opinion on the financial statements does not cover the Management's Review, and we do not express any form of assurance opinion thereon.

In connection with our extended review of the 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 financial statements or our knowledge obtained during the extended review, 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.

As evident from the paragraph "Basis for Qualified Opinion", our conclusion on the annual accounts has been modified as a result of the lack of write-downs of the receivables from sales. We have concluded that, for the same reason, the management report contains significant misinformation in relation to the amounts and other elements that are affected by the missing write-downs.

Except for the above, and based on the work we have performed, we believe that the Management's Review is in compliance with the financial statements and that they have been prepared in accordance with the requirements of the Danish Financial Statements Act.

Copenhagen, 23 June 2023

Redmark
Godkendt Revisionspartnerselskab
Company reg. no. 29 44 27 89

Søren Kristiansen Bünger
State Authorised Public Accountant
mne34334

Company information

The company	Tecnibygg ApS Lyngbyvej 20, 2. 2100 København Ø	
	Company reg. no.	41 68 66 26
	Established:	15 September 2020
	Domicile:	Copenhagen
	Financial year:	1 January - 31 December 2nd financial year
Executive board	Rui André De Matos Oliveira Neto, Gråspurvevej 3, 5. 004 2400 København NV Danmark Paulo José Pereira Ramos, Rua José Sarmento 21, 1 esq, 4710-103 Braga, Portugal	
Auditors	Redmark Godkendt Revisionspartnerselskab Dirch Passers Allé 76 2000 Frederiksberg	
Parent company	FAR CAPITAL, S.A.	

Management´s review

The principal activities of the company

The principal activities are to engaged on construction and public works, including the formwork industry, providing civil engineering services, decoration, restoration and refurbishment of public and private buildings.

Development in activities and financial matters

The revenue for the year totals DKK 16.177.762 against DKK 34.522.203 last year. Income or loss from ordinary activities after tax totals DKK 124.038 against DKK 8.606.984 last year. Management considers the result for the year as expected.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2022	2021
	Revenue	16.177.762	34.522.203
	Other operating income	441.356	0
	Costs of raw materials and consumables	-2.375.225	-5.709.064
	Other external expenses	-4.154.173	-3.765.378
	Gross profit	**10.089.720**	**25.047.761**
1	Staff costs	-9.772.348	-13.972.797
	Operating profit	**317.372**	**11.074.964**
	Other financial income from group enterprises	106.024	43.271
	Other financial expenses	-220.312	-71.693
	Pre-tax net profit or loss	**203.084**	**11.046.542**
	Tax on net profit or loss for the year	-79.046	-2.439.558
	Net profit or loss for the year	**124.038**	**8.606.984**
	Proposed distribution of net profit:		
	Dividend for the financial year	0	3.570.000
	Transferred to retained earnings	124.038	5.036.984
	Total allocations and transfers	**124.038**	**8.606.984**

Balance sheet at 31 December

All amounts in DKK.

Assets

Note		2022	2021
	Non-current assets		
	Deposits	28.278	21.260
	Total investments	28.278	21.260
	Total non-current assets	**28.278**	**21.260**
	Current assets		
	Trade receivables	6.970.680	10.236.802
	Receivables from group enterprises	2.584.206	3.940.212
	Other receivables	207.507	40.217
	Prepayments	379.573	406.245
	Total receivables	10.141.966	14.623.476
	Cash and cash equivalents	580.319	2.115.286
	Total current assets	**10.722.285**	**16.738.762**
	Total assets	**10.750.563**	**16.760.022**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2022	2021
	Equity		
	Contributed capital	50.000	50.000
	Retained earnings	5.161.022	5.036.984
	Proposed dividend for the financial year	0	3.570.000
	Total equity	**5.211.022**	**8.656.984**
	Labilities other than provisions		
	Trade payables	787.637	1.465.585
	Payables to group enterprises	2.703.427	0
	Income tax payable	79.046	1.449.558
	Other payables	1.969.431	5.187.895
	Total short term liabilities other than provisions	5.539.541	8.103.038
	Total liabilities other than provisions	**5.539.541**	**8.103.038**
	Total equity and liabilities	**10.750.563**	**16.760.022**

2 Charges and security

3 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2022	50.000	5.036.984	3.570.000	8.656.984
Distributed dividend	0	0	-3.570.000	-3.570.000
Retained earnings for the year	0	124.038	0	124.038
	50.000	**5.161.022**	**0**	**5.211.022**

Notes

All amounts in DKK.

		2022	2021
1.	**Staff costs**		
	Salaries and wages	8.662.878	12.358.038
	Pension costs	691.709	1.342.869
	Other costs for social security	417.761	271.890
		9.772.348	**13.972.797**
	Average number of employees	21	25

2. Charges and security

The company has no mortage or securities registrered pr. 31 December 2022.

3. Contingencies

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

TheThe company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

The company has no other contigent liabilities pr. 31 December 2022.

Accounting policies

The annual report for Tecnibygg ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Income statement

Revenue

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales

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

Other operating income

Other external costs

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

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

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

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

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

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

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

Prepayments and accrued income

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

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Accounting policies

Income tax and deferred tax

As administration company, Tecnibygg ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "Income tax payable to group enterprises"

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

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