
Hansen & Klein A/S

Hammerensgade 4, 2., DK-1267 København K

Annual Report for 1 January - 31 December 2022

CVR No 73 42 59 13

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
30/6 2023

Vagn Thorup
Chairman of the General
Meeting



pwc

Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company Information	5
Financial Highlights	6
Management's Review	7
Financial Statements	
Income Statement 1 January - 31 December	8
Balance Sheet 31 December	9
Statement of Changes in Equity	11
Cash Flow Statement 1 January - 31 December	12
Notes to the Financial Statements	13

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Hansen & Klein A/S for the financial year 1 January - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and of the results of the Company operations and cash flows for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 30 June 2023

Executive Board

Kenneth Nielsen
CEO

Board of Directors

Vagn Thorup
Chairman

Kenneth Nielsen

Ulrik Krogsaa Evers

Independent Auditor's Report

To the Shareholders of Hansen & Klein A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Hansen & Klein A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

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

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

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 misstate-

Independent Auditor's Report

ment, 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.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 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 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 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 Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the

Independent Auditor's Report

disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 30 June 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jesper Otto Edelbo
State Authorised Public Accountant
mne10901

Casper Larsen
State Authorised Public Accountant
mne45855

Company Information

The Company

Hansen & Klein A/S
Hammerensgade 4, 2.
DK-1267 København K

CVR No: 73 42 59 13
Financial period: 1 January - 31 December
Municipality of reg. office: København

Board of Directors

Vagn Thorup, Chairman
Kenneth Nielsen
Ulrik Krogsaa Evers

Executive Board

Kenneth Nielsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2022 TDKK	2021 TDKK	2020 TDKK	2019 TDKK	2018 TDKK
Key figures					
Profit/loss					
Operating profit/loss	-297	-104	-64	-51	-31
Profit/loss before financial income and expenses	-297	-104	-64	-51	-31
Net financials	2.982.648	97.037	78.328	32.470	29.788
Net profit/loss for the year	2.982.344	97.052	78.298	32.451	29.709
Balance sheet					
Balance sheet total	17.824	159.136	124.378	70.790	52.963
Equity	201	149.689	122.646	70.705	52.024
Cash flows					
Cash flows from:					
- operating activities	26.827	-7.833	-1.701	-8	-203
- investing activities	55.834	31.227	13.878	78	-3.687
- financing activities	-64.837	-23.394	-12.227	-150	3.950
Change in cash and cash equivalents for the year	17.824	0	-50	-80	60
Number of employees	0	0	0	0	0
Ratios					
Return on assets	-1,7%	-0,1%	-0,1%	-0,1%	-0,1%
Solvency ratio	1,1%	94,1%	98,6%	99,9%	98,2%
Return on equity	3.979,4%	71,3%	81,0%	52,9%	65,7%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, refer to the accounting policies.

Management's Review

Key activities

Hansen & Klein A/S is a holding company, holding shares in RiskPoint Holding A/S as its only activity.

Development in the year

The income statement of the Company for 2022 shows a profit of DKK 2,982,343,844, and at 31 December 2022 the balance sheet of the Company shows equity of DKK 201,157.

The profit for the year relates to a realised gain on the Company's shares in the subsidiary RiskPoint Holding A/S in connection with a non-cash decrease of capital, where the shares in RiskPoint Holding A/S were distributed to the capital owners of the Company at market value. On this basis Income from Investments in subsidiaries amounted to TDKK 2,982,668 in 2022. For movements in equity reference is made to Statement of Changes in Equity. As from 11 July 2022 RiskPoint Holding A/S is no longer a subsidiary and the activities of the Company have since been very limited.

The past year and follow-up on development expectations from last year

The result is above budget for 2022 and over prior year result and considered to be satisfactory. The reason for better-than-budgeted result is the non-cash decrease of capital, where the shares in RiskPoint Holding A/S were distributed to the capital owners of the Company at market value.

Targets and expectations for the year ahead

Management expects very limited activity in the year ahead as a result of the sale of shares in RiskPoint Holding A/S and currently there are no plan for new investments and accordingly the gross profit, income from investments as well as financial income/expenses is expected to be nil.

External environment

As a holding company, with no subsidiaries, associated companies or investments, our climate footprint is limited. It is important to Hansen & Klein A/S that we act environmental, social and economically responsible in corporation with our customers, business partners and stakeholders.

Unusual events

The financial position at 31 December 2022 of the Company and the results of the activities and cash flows of the Company for the financial year for 2022 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2022 DKK	2021 DKK
Gross profit/loss		-296.578	-103.800
Income from investments in subsidiaries		2.982.667.893	97.048.845
Financial income	2	209.508	166.000
Financial expenses	3	-229.893	-177.732
Profit/loss before tax		2.982.350.930	96.933.313
Tax on profit/loss for the year	4	-7.086	118.674
Net profit/loss for the year		2.982.343.844	97.051.987

Balance Sheet 31 December

Assets

	Note	2022 DKK	2021 DKK
Investments in subsidiaries	5	0	149.497.754
Fixed asset investments		0	149.497.754
Fixed assets		0	149.497.754
Other receivables		0	9.614.766
Corporation tax receivable from group enterprises		0	23.563
Receivables		0	9.638.329
Cash at bank and in hand		17.823.526	0
Currents assets		17.823.526	9.638.329
Assets		17.823.526	159.136.083

Balance Sheet 31 December

Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		400.000	780.000
Reserve for net revaluation under the equity method		0	58.303.987
Retained earnings		-198.843	34.705.287
Proposed dividend for the year		0	55.900.000
Equity		201.157	149.689.274
Credit institutions		0	9.337.061
Trade payables		17.524.893	109.748
Other payables		97.476	0
Short-term debt		17.622.369	9.446.809
Debt		17.622.369	9.446.809
Liabilities and equity		17.823.526	159.136.083
Distribution of profit	6		
Contingent assets, liabilities and other financial obligations	9		
Accounting Policies	10		

Statement of Changes in Equity

	Share capital	Share premium account	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	780.000	0	58.303.988	34.705.286	55.900.000	149.689.274
Cash capital increase	89	399.911	0	0	0	400.000
Cash capital reduction	-380.089	0	0	-3.075.951.872	0	-3.076.331.961
Ordinary dividend paid	0	0	0	0	-55.900.000	-55.900.000
Dividend from group enterprises	0	0	-55.833.687	55.833.687	0	0
Other equity movements	0	0	-2.470.301	2.470.301	0	0
Net profit/loss for the year	0	0	0	2.982.343.844	0	2.982.343.844
Transfer from share premium account	0	-399.911	0	399.911	0	0
Equity at 31 December	400.000	0	0	-198.843	0	201.157

Cash Flow Statement 1 January - 31 December

	Note	2022 DKK	2021 DKK
Net profit/loss for the year		2.982.343.844	97.051.987
Adjustments	7	-2.982.640.422	-97.155.787
Change in working capital	8	27.127.387	-7.740.616
Cash flows from operating activities before financial income and expenses		26.830.809	-7.844.416
Financial income		209.507	166.000
Financial expenses		-229.893	-177.731
Cash flows from ordinary activities		26.810.423	-7.856.147
Corporation tax paid		16.477	23.563
Cash flows from operating activities		26.826.900	-7.832.584
Dividends received from subsidiaries		55.833.687	31.226.600
Cash flows from investing activities		55.833.687	31.226.600
Repayment of loans from credit institutions		-9.337.061	7.764.422
Cash capital increase		400.000	0
Dividend paid		-55.900.000	-88.196.734
Other adjustments		0	57.038.296
Cash flows from financing activities		-64.837.061	-23.394.016
Change in cash and cash equivalents		17.823.526	0
Cash and cash equivalents at 1 January		0	0
Cash and cash equivalents at 31 December		17.823.526	0
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		17.823.526	0
Cash and cash equivalents at 31 December		17.823.526	0

Notes to the Financial Statements

	2022 <u>DKK</u>	2021 <u>DKK</u>
1 Staff expenses		
Average number of employees	<u>0</u>	<u>0</u>
2 Financial income		
Other financial income	209.508	161.300
Exchange gains	<u>0</u>	<u>4.700</u>
	<u>209.508</u>	<u>166.000</u>
3 Financial expenses	2022 <u>DKK</u>	2021 <u>DKK</u>
Other financial expenses	227.429	177.732
Exchange loss	<u>2.464</u>	<u>0</u>
	<u>229.893</u>	<u>177.732</u>
4 Tax on profit/loss for the year		
Current tax for the year	0	-23.563
Adjustment of tax concerning previous years	<u>7.086</u>	<u>-95.111</u>
	<u>7.086</u>	<u>-118.674</u>
5 Investments in subsidiaries		
Cost at 1 January	3.851.233	3.851.233
Disposals for the year	<u>-3.851.233</u>	<u>0</u>
Cost at 31 December	<u>0</u>	<u>3.851.233</u>

Notes to the Financial Statements

	2022	2021
	DKK	DKK
5 Investments in subsidiaries (continued)		
Value adjustments at 1 January	118.697.880	118.697.880
Disposals for the year	-62.864.193	0
Net profit/loss for the year	0	97.048.845
Dividend to the Parent Company	-55.833.687	-31.226.600
Other adjustments	0	-38.873.604
Value adjustments at 31 December	<u>0</u>	<u>145.646.521</u>
Carrying amount at 31 December	<u>0</u>	<u>149.497.754</u>

In the financial year the Company has sold it's investments in RiskPoint Holding A/S.

6 Distribution of profit

Extraordinary dividend paid	0	57.046.734
Proposed dividend for the year	0	55.900.000
Reserve for net revaluation under the equity method	0	9.548.845
Retained earnings	<u>2.982.343.844</u>	<u>-25.443.592</u>
	<u>2.982.343.844</u>	<u>97.051.987</u>

7 Cash flow statement - adjustments

Financial income	-209.508	-166.000
Financial expenses	229.893	177.732
Income from investments in subsidiaries	-2.982.667.893	-97.048.845
Tax on profit/loss for the year	7.086	-118.674
	<u>-2.982.640.422</u>	<u>-97.155.787</u>

8 Cash flow statement - change in working capital

Change in receivables	9.614.766	-7.785.989
Change in trade payables, etc	<u>17.512.621</u>	<u>45.373</u>
	<u>27.127.387</u>	<u>-7.740.616</u>

Notes to the Financial Statements

9 Contingent assets, liabilities and other financial obligations

Contingent liabilities

There are no security and contingent liabilities at 31 December 2022.

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of Hansen & Klein A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in DKK.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Other external expenses

Other external expenses comprise expenses relating to the Entity's ordinary activities, including expenses for premises, stationary and office supplies, marketing costs, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of other external expenses.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

10 Accounting Policies (continued)

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the Danish group companies. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises in proportion to their taxable income.

Balance Sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Trade receivables comprise premiums collected with policyholders on behalf of the Company's carriers. When recognising these receivables, the amount owed to the carrier net of sales commission is recognised as well.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Notes to the Financial Statements

10 Accounting Policies (continued)

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Trade payables comprise premium payables to the Company's carriers. When collecting premiums, the amount owed to the carrier, equivalent to the premium collected net of commission, is recognised.

Cash Flow Statement

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

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Notes to the Financial Statements

10 Accounting Policies (continued)

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$