

CC North Invest ApS

Kjeldsgaardvej 10

9300 Sæby

Business Registration No. 43 04 64 70

Annual Report 2022
(09 February 2022 – 31 December 2022)

The Annual General Meeting adopted the Annual Report on 31/3 2023

Chairman of the General Meeting
Peter Ryttergaard

Content page

Company information	1
Statement by Management	2
Independent auditor's report	3
Statement of profit or loss 9 February – 31 December	6
Notes	12

Company information

The Company

CC North Invest ApS

Kjeldgaardsvej 10

DK-9300 Sæby

Business Registration No.: 43 04 64 70

Registered office: Sæby

Financial year: 09.02.2022 - 31.12.2022

Executive Board

Peter Ryttergaard

Vilhelm Eigil Hahn-Petersen

Rasmus Philip Buhl Lokvig

Jens Jørgen Hahn-Petersen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Østre Havnepromenade 26, 4. sal

9000 Aalborg, Danmark

Primary activities

The Company's main activity is to invest in capital shares in order to generate returns.

Statement by Management

The Executive Board have today considered and adopted the Annual Report of CC North Invest A/S for the financial year 09.02.2022 – 31.12.2022.

The Financial Statement have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in 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 Company's operations and cash flows for the financial year 09.02.2022 – 31.12.2022.

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

Copenhagen, 22 February 2023

Executive Board

Peter Ryttergaard

Vilhelm Eigil Hahn-Petersen

Jens Jørgen Hahn-Petersen

Rasmus Philip Buhl Lokvig

Independent auditor's report

To the shareholders of CC North Invest ApS

Opinion

We have audited the financial statements of CC North Invest ApS for the financial year 09.02.2022 – 31.12.2022, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at and of the results of its operations and cash flows for the financial year - in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the 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 Entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Entity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Aalborg, 22 February 2023

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Haugegaard Albrechtsen
State Authorised Public Accountant
Identification No (MNE) mne45846

Jakob Olesen
State Authorised Public Accountant
Identification No (MNE) mne34492

Statement of profit or loss 9 February – 31 December

		2022
		<u>DKK'000</u>
General and administrative expenses		-50
Operating profit		-50
Financial income	2	1.832
Financial costs	2	-679
Profit before tax		1.103
Income tax expense	3	-243
Profit for the year		<u>860</u>

Statement of comprehensive income 9 February – 31 December

	2022
	<u>DKK'000</u>
Profit for the period	860
Other comprehensive income for the period, net of tax	<u>0</u>
Total comprehensive income for the period	<u>860</u>

Balance sheet 31 December**Assets**

Investment in subsidiaries

4 135.998**Total non-current assets****135.998**

Receivables

100**Total current assets****136.098****Total assets****136.098**

Balance sheet 31 December

		2022
		DKK'000
<u>Equity</u>		
Share capital	5	112
Share premium		115.988
Retained earnings		860
Total equity		116.960
<u>Liabilities</u>		
Borrowings	7	18.895
Tax liabilities		243
Total current liabilities		19.138
Total liabilities		19.138
Total equity and liabilities		136.098

6. Financial Risk Management

Statement of changes in equity

	Share capital DKK'000	Share premium DKK'000	Retained earnings DKK'000	Total DKK'000
Equity at 09.02.2022	100	0	0	100
Profit for the period	0	0	860	860
Total comprehensive income for the period	0	0	860	960
Transactions with owners				
Capital increase, cash	12	115.988	0	116.000
Total transaction with owners	12	115.988	0	116.000
Equity at 31.12.2022	112	115.988	860	116.960

Cash flow statement 09 February – 31 December

	2022
	DKK'000
Operating profit	-50
Change in net working capital	-100
Cash flows from primary operating activities	-150
Interest income received	1.832
Interest expense paid	-679
Provision for deferred tax	0
Other changes	100
Net cash flow from operating activities	1.103
Capital increase in subsidiary	-137.150
Sale of shares and capital decrease in subsidiary	1.152
Net cash flow from investing activities	-135.998
Proceeds from borrowings - group enterprises	0
Proceeds from bank debt	117.000
Repayment of bank debt	-98.105
Loans to subsidiaries	0
Capital increase	116.000
Cash flow from financing activities	134.895
Net cash flow for the year	0
Cash and cash equivalents, beginning of the year	0
Cash and cash equivalents, end of the year	0

Notes

1. Summary of significant accounting policies
2. Financial income and expenses
3. Tax for the year
4. Investments in subsidiaries
5. Share capital
6. Financial risks
7. Changes in liabilities arising from financing activities
8. Contingent liabilities
9. Related parties
10. Events after the reporting period

Notes

1. Summary of significant accounting policies

CC North Invest ApS was founded on 9 February 2022.

The Financial Statements for the company, CC North Invest ApS have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the EU as well as additional Danish disclosure requirements applying to entities of reporting class B.

The annual report is prepared according to standards and interpretations effective for financial years beginning on 1 January 2022. No standards or interpretations have been adopted early.

The financial statements are presented in DKK'000 except where otherwise stated.

The Financial Statements have been prepared under the historical cost method, except for certain financial instruments being measured at fair value.

Consolidated financial statements

Referring to IFRS 10 no consolidated financial statements have been prepared, due to the fact that the ultimate parent company, CataCap II K/S, will publish IFRS financial statement as investment company, where the Company is recognised and managed at fair value.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Company.

These standards are not expected to have a material impact on the Company in the reporting periods in which they become mandatory or in future periods.

Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs.

General and administrative expenses

General and administrative expenses include expenses relating to the Company's ordinary activities.

Finance income and expenses

Finance income and expenses are recognised in the income statement at the amounts that concern the financial year. Net financials include interest income and interest expenses calculated using the effective interest rate method, as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income tax and deferred tax

The Company is jointly taxed with its Danish subsidiaries. The Danish income tax payable is allocated between the jointly taxed Danish companies based on their proportion of taxable income (full absorption including reimbursement of tax deficits). The jointly taxed companies are taxed under the Danish Tax Payment Scheme. Additions, deductions and allowances are recognised under financial income or financial costs.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Investments in subsidiaries

Investments in subsidiaries are measured at cost, including transaction costs.

If there is an indication of impairment, the carrying amount of investments in subsidiaries is tested for impairment. Impairment is recognised at the recoverable amount, if this is lower than the carrying amount. The recoverable amount is the higher of the value in use or fair value less costs of disposal.

Dividends on investments in subsidiaries are recognised in the income statement in the financial year in which the dividend is declared.

Receivables

Receivables are initially recognised at fair value. The subsequent measurement depends on the classification. The Company classifies its financial assets depending on its business model for managing the financial assets and the contractual terms of the cash flows. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments which are convertible into equity, where the cash flow are not solely payment of principal and interest, are subsequently measured at fair value through profit or loss presented within other income or losses.

Other receivables are measured at amortised cost, which usually corresponds to the nominal value. Write-down is made to net realisable value to provide for expected losses.

Equity

Share premium

The reserve includes premium on issue of shares.

Borrowings

Borrowings are initially recognised at fair value net of transaction costs incurred. Subsequently, borrowings are measured at amortised costs using the effective interest rate method.

Statement of cash flow

The cash flow statement shows the cash flows during the year distributed on operating, investing and financing activities, changes in cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are calculated using the indirect method and comprise profit for the year adjusted for non-cash items, changes in working capital, interest paid and received etc., and payments of corporate tax.

Cash flows from investing activities comprise payments in connection with acquisitions and divestment of subsidiaries, loans to related parties etc.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, instalments on interest-bearing debt and payment of dividend.

Notes

2. Financial income and expenses

	2022
DKK'000	(9/2 to 31/12)
Interests income	1.832
Total income	1.832
Interests expenses	-679
Total costs	-679
	1.153

3. Tax for the year

DKK'000	
Current tax for the year income	243
Changes in deferred tax	0
	243
Tax calculated as 22% of profit/loss before tax	243
Effective tax	243
Tax rate for the year (%)	22%

4. Investments in subsidiaries

	DKK'000
2022	
Cost at 9 February	0
Addition, cash	84.206
Addition, conversion of loan receivable	52.944
Disposals	-1.152
Cost at 31 December	135.998

Name	Place of registered office	Vote	Ownership
Nordmark Group Holding ApS	Sæby	64%	64%

During the year, the Company has in a non-cash transaction converted its loan receivable from Nordmark Group Holding ApS amounting to DKK 52,944 thousands into shares in the subsidiary. The loan was converted in accordance with its contractual terms.

Notes

5. Share capital

The Company's share capital is divided into A1-, A2-, and B-shares. The Company's A1-share capital is nominally DKK 105.919,06, the A2-share capital is nominally DKK 5.679,68 and the B-share capital is nominally DKK 1,26. Each share of DKK 0,01 is entitled to one vote.

	A1		A2		B	
	Number	Nominal value DKK	Number	Nominal value DKK	Number	Nominal value DKK
Opening balance	9.490.955	94.909	508.932	5.089	113	1
Capital increase, 29 June 2022	1.100.951	11.010	59.036	590	13	0
Closing balance	10.591.906	105.919	567.968	5.679	126	1

The A1-, A2-, and B-shares carry special rights to received dividend. First, dividend is distributed prorata to the invested capital of the A1-, A2-, and B-shares. Second, dividend is distributed prorata to the A1-, A2-, and B-shares subject to a internal rate of return. Hereafter, dividend distributions are split between the share classes such that holders of the B-shares have pre-emptive right to receive dividends.

No dividend has been distributed or declared during the year.

6. Financial risk management

As the Company's main activities is to hold shares in subsidiaries, the company is not significantly exposed to financial risks.

The Company's primary exposure to financial risks is related to liquidity risk arising from its borrowings. The Company's exposure to credit risk and market rate risks, including interest rate risk and foreign exchange rate risk is considered insignificant.

Liquidity risk

The Company's liquidity risk exposure arises from it's borrowings which comprise of a short-term standing credit facility with a limit of DKK 20.500 thousands. The credit facility carries a floating interest rate.

Maturity analysis

Based on the contractual maturities, the Company's current borrowings falls due within 1 year.

Notes

Financial instruments per measurement category

	<u>DKK'000</u>
2022	
Financial assets at amortised cost	
Receivables	100
Financial liabilities at amortised cost	
Borrowings	18.895

Due to the short-term nature, the fair value of the Company's financial assets and liabilities approximates their fair value.

As described above in note 4, the Company had held during the year a receivable from its subsidiary Nordmark Group Holding ApS which in accordance with the contractual terms was converted into shares in the subsidiary. The Company measured the loan at fair value through profit and loss. However, no gain or loss from changes in fair value has been recognised for the year or at the time of the conversion.

Capital Management

The Company's objectives when managing capital are to secure its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital. Any surplus liquidity is used to reduce debt. Management monitors the share and capital structure to ensure that the Company's capital resources support the strategic goals.

7. Changes in liabilities arising from financing activities

Borrowings	<u>DKK'000</u>
9 February 2022	0
Cash inflow	118.000
Cash outflow	-136.895
31 December 2022	<u>18.895</u>

Notes

8. Contingent liabilities

The Company participates in a Danish joint taxation arrangement where CC North Invest ApS serves as the administration company.

According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration Company's financial statements.

9. Related parties

The Company's ultimate parent is CataCap II K/S.

Related parties with significant influence consist of the Group's Board of Directors and Executive Management plus close relatives of these persons. Related parties also include companies over which these persons exert considerable influence.

As of 31 December 2022, there are no outstanding balances with related parties.

During the year, the Company has had the following transactions with its related parties:

	<u>DKK'000</u>
Subsidiaries	
Loans receivable raised	52.000
Interest income	1.832
Conversion of loan balance	52.944

No remuneration has been provided to key management.

11. Events after the reporting period

No events have occurred after the balance sheet date of importance to the Annual Report.