Chair of the meeting,
June 9, 2021

Annual report

2020

CO-RO

REFRESH AND DELIGHT

CO-RO Holding A/S
CVR no. 14 79 06 08
Holmensvej 11,
DK-3600 Frederikssund

Contents

MANAGEMENT REVIEW

FINANCIAL STATEMENTS

MANAGEMENT REVIEW

Letter from the CEO

2020 was a "Perfect Storm" for CO-RO, but it was also a year in which we witnessed the strength and resilience of our fantastic employees, our partners and our brands.

We knew early on in 2020 that it would be a very unusual and difficult year – both for our employees and for our business – due to two unprecedented external factors hitting us at the same time; a 50% excise tax and VAT implemented in our biggest Middle Eastern markets, and the COVID-19 lockdowns.

Excise tax
While many businesses around the world – incl. CO-RO – struggled to cope with the consequences of the COVID-19 pandemic, CO-RO was affected by another game changer in our key markets. A 50% excise tax imposed on all sweetened beverage products in key markets like Saudi Arabia, Oman and the U.A.E. as well as a tripling of VAT in Saudi Arabia caused consumer prices for all our products to double. Although we managed to gain market share, the unprecedented increase in consumer prices led to nearly a 50% volume drop in these markets compared to 2019, as expected. With these changes, we are truly facing a "new normal" in Saudi Arabia and surrounding countries which has been CO-RO's biggest and most important region for more than 40 years.

COVID-19
The impact of COVID-19 was significant for the entire CO-RO Group, while mainly felt in our Asia Pacific (APAC) business due to the severe lockdowns in that region early in the year. Our important foodservice business in China – our second-largest market - declined significantly as restaurants, cinemas, hotels etc. were closed for four to five months during the lockdown. As a consequence, we decided to close and write-off our ice-lolly business in China.

EUROPE

Innovations and "Staycation" in Europe drove our Ice Lolly business to the best year ever

IRAQ

Our new venture in Iraq performed exceedingly well with sales increasing +200% compared to the year before

Schools closing in the Middle East and Africa (MEA) region, curfews imposed and the lack of tourism due to travel bans all added to the challenges we faced in 2020. But thanks to our strong innovation agenda and our committed employees, we demonstrated our ability to adapt and react quickly in turbulent times. I would like to thank everyone for their consistent and dedicated commitment to their colleagues, to our customers and to the local communities where we operate.

Long-term strategy is working!
Despite the massive headwinds, our long-term strategy proved to be working and helped us to deliver double-digit growth in our other markets. We took diligent value management initiatives and cost mitigating measures in 2020, while at the same time continuing to invest in our people, in our factories and in our brands across the Group.

MALAYSIA

Our sales of Sunquick concentrate in Malaysia proved a strong offering delivering growth of 15% compared to last year

I am proud of the way we managed to navigate through this challenging year.

We successfully strengthened our market positions, expanded our footprint and secured an operating profit of 2.3 mDKK for the year before special items.

Overall, we ended the year with a 22% decline in revenue and after non-cash write-offs, EBIT landed at a 24 mDKK loss – significantly below our pre-COVID expectations - but considered acceptable under the circumstances.

People, Partnerships & Products
Our first and most important objective in these difficult times is the wellbeing and safety of our employees across the Group. In a year when the COVID-19 pandemic affected all our lives, it was imperative that our employees were able to perform their jobs safely. Measures have been implemented to ensure the ability to work from home where possible. Social distancing was embraced, and adequate personal protective equipment supplied at our workplaces. Despite a year of uncertainty, we saw engagement and commitment reaching an all-time high in our employee engagement survey in 2020.

Our partnerships around the world remained ever strong in 2020, showing the resilience of our longstanding history. Our ability to join forces with our partners and distributors around the world became evident as a common understanding of securing the business, led to positive cash flows for CO-RO in 2020.

2020 was also a year with a strong innovation agenda and exciting product launches such as Sun Lolly Organic ice in the Nordics and Sunquick ready-to-drink in several markets in APAC and MEA. These – and many other exiting innovations – will be an important addition to our ever-stronger product portfolio.

SQ INNOVATION

We introduced a number of new innovations under the Sunquick brand

2021 – a year of getting back on track
Whilst the current and near-term impact of COVID-19 is still a factor impacting our business, Management takes a more optimistic view on 2021, which has started well for CO-RO. The strength of our brands, the ability to adapt to new realities and the skills and commitment of our employees will combine with continued market expansion and a strong innovation agenda to secure a stronger 2021 for CO-RO.

Søren Holm Jensen, CEO

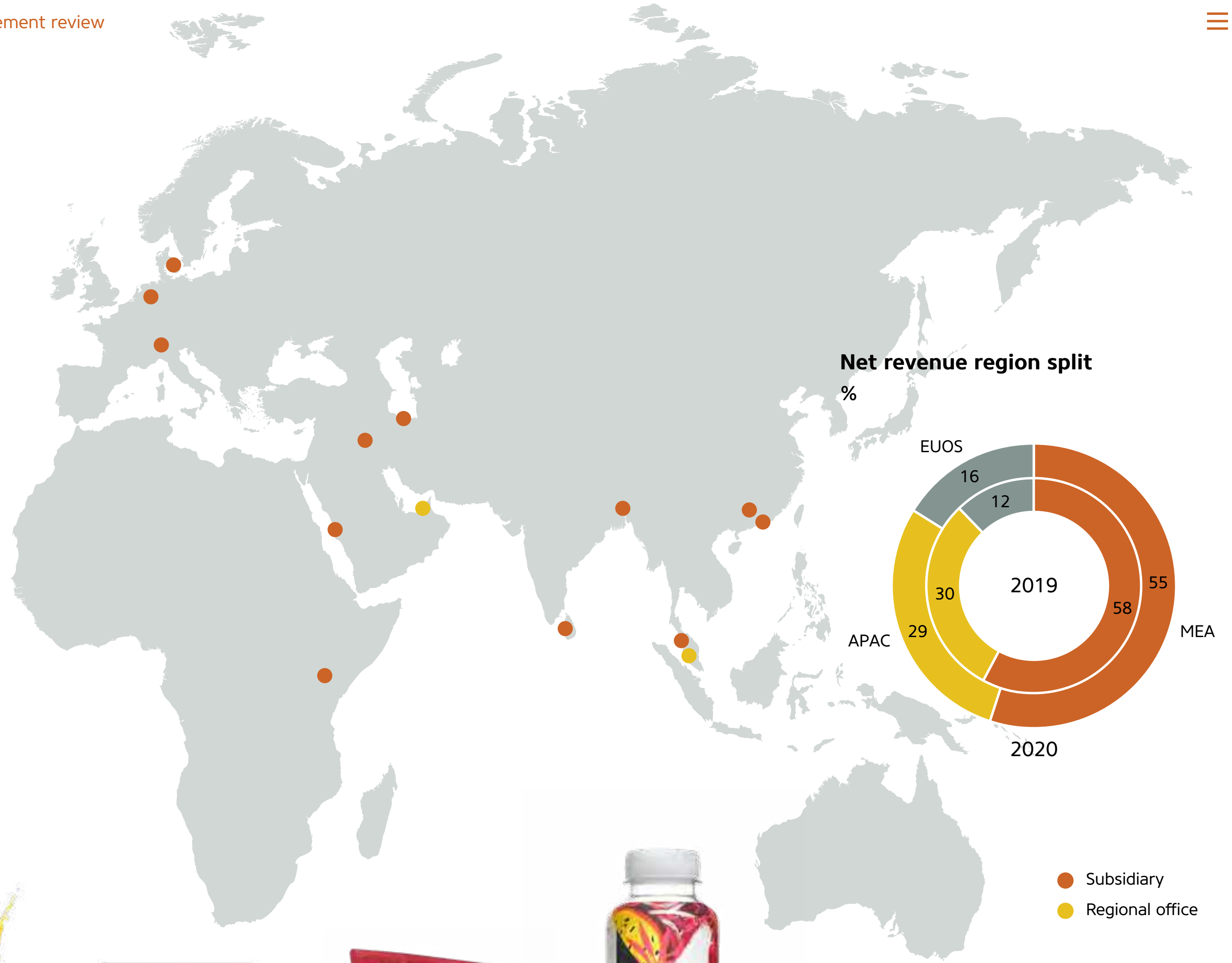
Foto: Gregers Tycho/Ritzau/Ritzau Scanpix

CO-RO Group in brief

The CO-RO Group manufactures, markets and sells still-drinks, concentrates, and home-freeze ice lollies.

Our 1200 dedicated employees worldwide work daily to bring our products to consumers around the globe, creating more than 10 million smiles every day.

Our purpose is to refresh and delight – bringing the "wow" to consumers through great tastes and amazing experiences, and we do that through our great brands Sunquick, Suntop, SunLolly & MashUp.



Highlights 2020

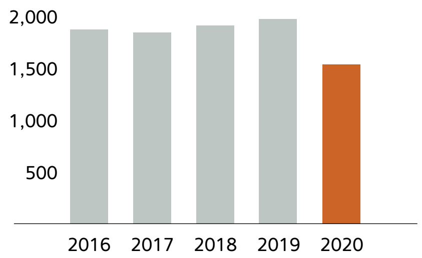
PRINCIPAL AND KEY FIGURES

(mDKK)	2020	2019	2018	2017	2016
Profit and loss statement					
Revenue	1,539	1,971	1,914	1,847	1,874
Gross profit	443	693	641	631	702
EBITDA	120	281	261	270	353
EBIT before special items	2	158	150	181	271
EBIT	-24	158	150	181	271
Net financials	-1	46	-12	39	31
Profit for the year	-44	160	100	180	249
Balance sheet					
Balance sheet total	2,672	2,814	2,590	2,404	2,279
Investments in tangible fixed assets	111	117	181	202	168
Equity capital	2,161	2,272	2,119	2,062	1,947
Cash flow					
Operating acitivities	147	333	175	226	181
Investing activities	-82	-140	-228	-191	-169
Free cash flow	65	193	-53	35	12
Employees					
Average number of full-time employees	1,228	1,242	1,280	1,143	1,109
Key figures (%) [1]					
Return on assets	-0.9	5.8	6	7.7	12.5
Return on equity capital	-1.8	6.3	3.7	8	11.9
Solvency ratio	69.6	68.9	69.9	73	72.3

[1] For key figure definitions see the section on applied accounting practice.

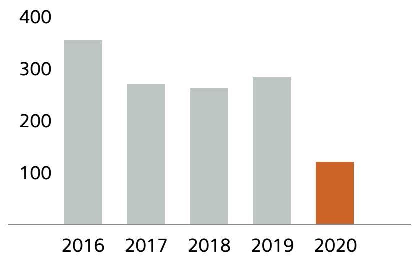
1,539

Revenue
mDKK



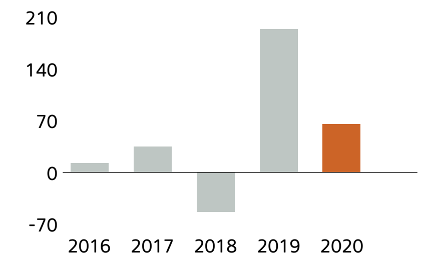
120

EBITDA
mDKK



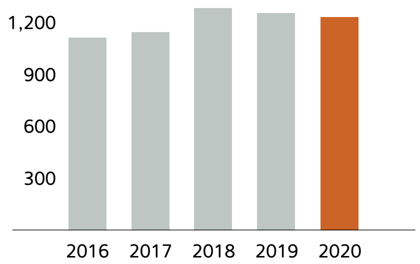
65

Free cash flow
mDKK



1,228

Average number of full-time employees



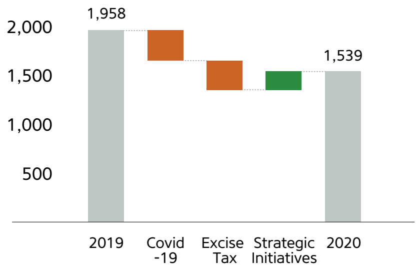
Management review

DEVELOPMENT IN FINANCIAL YEAR 2020

Financial results for the year
Revenue for the Group for 2020 was significantly affected by the 50% excise tax and VAT imposed in key markets of the MEA region as well as COVID-19, ending at 1,539 mDKK – a drop of 22% compared to 2019. Implementation of the excise tax and VAT almost doubled consumer prices in the markets affected – Saudi Arabia and the UAE in particular – in turn leading to a significant drop in volumes sold. With restrictions imposed worldwide due to the COVID-19 pandemic, our Foodservice sales channels were severely affected – especially in our second largest market, China - resulting in further revenue decline.

On a positive note, we had a strong performance in Europe in 2020, driven by staycation, as sales of home-freeze ice lollies ended at an all-time high with more than 150 million lollies sold. Our concentrate business in key markets like Malaysia and Portugal also delivered double-digit growth, and our new venture in Iraq is off to a phenomenal start. All in all, these markets combined with our strong innovation pipeline boosted revenue by more than 150 mDKK, but the impact of the excise tax in the MEA region, the COVID-19 pandemic eliminating out-of-home channels in APAC and slightly weaker FX rates all contributed to the overall revenue decline.

Group revenue
mDKK



To offset the impact from the revenue decline, CO-RO launched project Darwin in 2020 – a profit protection program delivering significant savings across all entities. Coupled with a strong efficiency agenda and only moderate increases in commodity prices, EBITDA ended at an acceptable 120 mDKK corresponding to 8% of revenue.

CO-RO continued to invest in capacity expansion in 2020 for the launch of Ready-to-Drink products in Sri Lanka and Bangladesh, among other markets, leading to a 20 mDKK increase in depreciation charges over 2019. As a result, reported EBIT before special items ended at 2.3 mDKK.

Special items had a negative impact on the FY 2020 EBIT of 26 mDKK due to the winding down of our ice-lolly business in China as well as impairment of assets in East Africa due to an expected decline in activity post COVID-19. Reference is made to note 6. Net financials were an expense of 1 mDKK against last year's income of 46 mDKK, driven by low FX rates and poor return on securities all of which led to a net loss for 2020 of 44 mDKK.

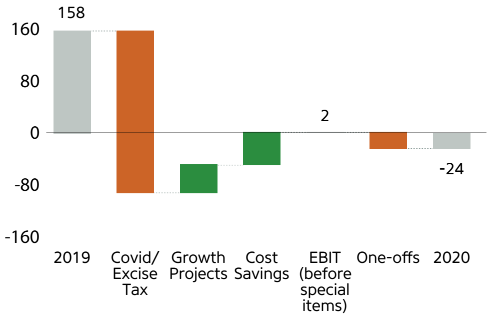
The net result for 2020 was significantly below Management's pre-COVID-19 expectations of a small net profit. However, given the unprecedented circumstances, Management considers the Group's activities and results in 2020 to be acceptable despite the negative result. With a renewed diligent approach to group costs, a continued high investment in innovation, strong solvency and strong brands proving their resilience to volatile market dynamics, the Group is financially and operationally well positioned to get back on track.

Balance Sheet, Investments & Cash Flows

CO-RO Group total assets at 31 December 2020 amounted to 2,672 mDKK

Group EBIT

mDKK



+50 mDKK

obtained in cost savings

against 2,814 mDKK at 31 December 2019.

As a consequence of the lower activity level caused by the Covid-19 situation and the excise tax imposed, Management took a prudent approach to new investments, which although reduced compared to 2019, still amounted to more than 120 mDKK in 2020. Investments mainly related to the establishment of a new production facility in Bangladesh as well as continued expansion and upgrades of equipment and buildings throughout our production network. All investments made in 2020 were funded internally.

Trade Working Capital declined by 6% to 355.6 mDKK corresponding to 23.1% of revenue. Consolidated net cash flows amounted to an increase of 38.4 mDKK in 2020 compared to an increase of 119 mDKK in 2019. Cash flows from operating activities were significantly reduced due to the low earnings, but the more prudent investment level adopted in 2020 as a consequence of the tough business environment resulted in positive net cash flows for the full year.

CO-RO Group's solvency rate remains high at 69.6%, providing a strong base for future growth and investment.

Development activities
Development costs for improving and expanding the product portfolio are incurred throughout the year. Activities include developing new products in our various categories as well as refining existing products and concepts. All development costs were expensed as they do not meet the criteria for capitalization.

Developments in the parent company
The parent company incurred a net loss after tax of 35 mDKK – significantly

+120 mDKK

invested in 2020

below Management's pre-Covid expectations and affected by the same events as impacted group numbers.

No facts or events occurred in the parent company during the financial year which are not reflected in the management report for the Group.

2021 OUTLOOK

The CO-RO Group has embarked on a new year in 2021, moving towards a new normal with COVID-19 restrictions easing, but also with the excise tax and VAT in our core Middle East markets here to stay. Our current business environment continues to call for cost flexibility, agile production planning and the ability to respond quickly to changes in our supply chain, but also for us to continue investing in our brand equity, our people agenda and in the opportunities that will arise after a year like no other.

Rising commodity prices, volatile FX rates and COVID-19 restrictions continue to pose a risk to our 2021 earnings, but with our proven ability to cost-mitigate and find pockets of growth in our markets, we believe 2021 will be a year of getting back on track.

For 2021, we expect revenue in the range of 1.6 to 1.8 bDKK. EBIT is expected to be positive in the range 2% to 4% of revenue - significantly better than in 2020 but still on the low side compared to previous years due to the prevailing circumstances. Similar developments are expected for the parent company.

Events after the end of the financial year

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

RISKS

General risks

CO-RO uses raw materials that are subject to significant price fluctuations. This is a risk factor since there may be a time lag between the time when price fluctuations take place and the date when the changes can be passed on to prices of finished products in the market.

Several of the Group's main markets are in the Middle East, a region often experiencing relatively high levels of geopolitical instability. Furthermore, legislative changes on sugar content are increasingly seen across our markets. The Group is aware of these risks and has taken corrective measures but may nevertheless be affected.

Financial risks

The Group's activities mean that the financial results, cash flows and equity capital are affected by the exchange rate and interest rate trends of several currencies. Transactions are mainly in EUR, USD, SAR, CNY and MYR. It is company policy not to hedge against currency risks. Exchange rate risks related to investments in affiliated enterprises abroad are not hedged.

KNOWLEDGE RESOURCES

CO-RO employs many employees with specialist knowledge in the development, production and distribution of the Group's products, who are essential for its ability to maintain its market position.

Through targeted recruitment, training and instruction of CO-RO employees, the Group spends considerable resources to attract, retain and develop competent employees.

CSR & SUSTAINABILITY

CO-RO has published a CSR report for 2020 in accordance with §99a and §99b of the Danish Financial Statements Act. The report and the Group's Code of Conduct are available from the Group's website at this address:
www.co-ro.com/responsibility

7000 products

donated to healthcare personnel fighting Covid-19 in DK

FINANCIAL STATEMENTS

Statement by management

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of CO-RO HOLDING A/S for the financial year 1 January – 31 December 2020.

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 financial position of the Group and the Parent Company at 31 December 2020 and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the financial year 1 January – 31 December 2020.

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

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

Frederikssund, 9 June 2021

Executive Board

Søren Holm Jensen

Board of Directors

Michael Ring (Chairman)	Jens Albert Harsaae (Vice chairman)	Torsten Steenholt Christensen
Sisse Fjelsted Rasmussen	Per Falholt	

Independent auditor's report

To the shareholders of CO-RO HOLDING A/S

Opinion
We have audited the consolidated financial statements and the parent company financial statements of CO-RO HOLDING A/S for the financial year 1 January – 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the 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 financial position of the Group and the Parent Company at 31 December 2020 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities for the 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 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 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 financial statements unless Management either intends to liquidate the Group or the Parent 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 as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and 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 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 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 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 Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Statement on the Management'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 conclusion thereon.

In connection with our audit 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 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 financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 9 June 2021

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jan C. Olsen
State Authorised Public Accountant
mne33717

Dennis Dupont
State Authorised Public Accountant
mne36192

The profit and loss statement
for 1 January to 31 December

		Parent company		Group	
(tDKK)	**Note**	**2020**	**2019**	**2020**	**2019**
Revenue	2	**0**	**0**	**1,539,055**	**1,970,789**
Production costs	3	0	0	-1,096,030	-1,278,100
Gross profit		**0**	**0**	**443,025**	**692,689**
Distribution costs	3	0	0	-309,842	-379,801
Administrative costs	3	-21	-24	-154,908	-164,444
Other operating income	4	0	0	5,553	9,449
Other operating costs	5	0	0	-7,509	-361
Operating profit (EBIT)	6	**-21**	**-24**	**-23,681**	**157,532**
Income from equity investments in Group companies	7	-55,458	67,729	0	0
Financial income	8	27,371	65,821	39,771	73,784
Financial expenses	9	-282	-148	-40,276	-28,074
Profit before tax		**-28,390**	**133,378**	**-24,186**	**203,242**
Tax on ordinary profit	10	-6,298	-14,443	-19,441	-43,169
Net profit for the year		**-34,688**	**118,935**	**-43,627**	**160,073**
The profit of the group is distributed as follows:					
Shareholders in CO-RO A/S				-34,688	118,935
Minority interests				-8,939	41,138
Net profit for the year				**-43,627**	**160,073**

Balance sheet of 31 December

Assets

(tDKK)	Note	Parent company 2020	Parent company 2019	Group 2020	Group 2019
Acquired software rights		0	0	52,205	51,821
Goodwill		0	0	58,642	65,765
Intangible assets	11	**0**	**0**	**110,847**	**117,586**
Land and buildings		0	0	365,003	395,129
Production facility and machinery		0	0	357,416	403,578
Other facilities, operating equipment and equipment		0	0	39,583	33,623
Tangible fixed assets under construction and advance payments for tangible fixed assets		0	0	88,533	115,940
Tangible assets	12	**0**	**0**	**850,535**	**948,270**
Investments in Group companies		942,831	1,042,003	0	0
Deposit		0	0	0	38,220
Other receivables		0	0	10,209	9,800
Financial fixed assets	13	**942,831**	**1,042,003**	**10,209**	**48,020**
Fixed assets		**942,831**	**1,042,003**	**971,591**	**1,113,876**
Raw materials and consumables		0	0	128,162	137,757
Work in progress		0	0	28,036	7,289
Finished goods and commercial goods		0	0	107,821	92,929
Advance payment for goods		0	0	12,154	18,405
Inventories		**0**	**0**	**276,173**	**256,380**
Receivables from sales and services		0	0	217,899	223,389
Company tax		0	5,224	6,855	14,770
Receivables with Group companies		46,684	32,685	0	0
Deferred tax asset	15	0	0	31,602	16,600
Other amounts receivable		0	0	61,391	88,053
Accruals and deferred expenses	14	0	0	22,066	23,591
Receivables		**46,684**	**37,909**	**339,813**	**366,403**
Securities		**850,224**	**848,000**	**850,224**	**848,000**
Cash and cash equivalents		**28,231**	**15,206**	**234,618**	**229,094**
Current assets		**925,139**	**901,115**	**1,700,828**	**1,699,877**
Assets		**1,867,970**	**1,943,118**	**2,672,419**	**2,813,753**

Balance sheet of 31 December

Liabilities

		Parent company		Group	
(tDKK)	**Note**	**2020**	**2019**	**2020**	**2019**
Share capital		50,000	50,000	50,000	50,000
Reserve for net revaluation in accordance with the equity method		869,900	969,072	0	0
Transferred profit		940,300	919,530	1,810,200	1,888,602
Proposed dividend for the financial year		0	0	0	0
Shareholders in CO-RO A/S' share of the equity capital		1,860,200	1,938,602	1,860,200	1,938,602
Minority interests	17	0	0	300,910	333,698
Equity capital total	15	**1,860,200**	**1,938,602**	**2,161,110**	**2,272,300**
Provision for pensions and similar	18	0	0	25,016	27,236
Provision for deferred tax	19	0	0	23,088	20,993
Other Credit institutions		0	0	8,329	7,472
Provisions		**0**	**0**	**56,433**	**55,701**
Prepayments received from customers		0	0	2,941	11,681
Other Credit institutions		0	0	66,775	81,640
Suppliers of goods and services		0	0	138,438	101,689
Company tax		3,261	0	7,913	6,699
Other debts		4,510	4,516	238,809	284,043
Short-term debt liabilities		**7,770**	**4,516**	**454,876**	**485,752**
Debt liabilities		**7,770**	**4,516**	**454,876**	**485,752**
Liabilities		**1,867,970**	**1,943,118**	**2,672,419**	**2,813,753**

Contingencies and other finacial obligations	20
Related parties	21
Remuneration of the auditor elected by the general assembly	22

Statement of changes in equity
of 31 December

Group

(tDKK)	Share capital	Retained earnings incl. Revaluation reserves	In all	Minority interests	Equity capital in total
Equity capital 1 January 2019	**50,000**	**1,759,497**	**1,809,497**	**309,898**	**2,119,395**
New entries and disposals	0	0	0	17,290	17,290
Dividend paid	0	0	0	-42,626	-42,626
Allocation of the profit	0	118,935	118,935	41,138	160,073
Rate Adjustment etc., for Group companies	0	10,170	10,170	7,998	18,168
Equity capital 1 January 2020	**50,000**	**1,888,602**	**1,938,602**	**333,698**	**2,272,300**
New entries and disposals	0	-7,230	-7,230	47,394	40,164
Dividend paid	0	0	0	-38,313	-38,313
Allocation of the profit	0	-34,688	-34,688	-8,939	-43,627
Rate Adjustment etc., for Group companies	0	-36,484	-36,484	-32,930	-69,414
Equity capital 31 December 2020	**50,000**	**1,810,200**	**1,860,200**	**300,910**	**2,161,110**

Statement of changes in equity of 31 December

Parent company

(tDKK)	Share capital	Reserve for net revaluation in accordance with the equity method	Retained earnings	Proposed dividend	In all
Equity capital 1 January 2019	**50,000**	**891,173**	**868,324**	**0**	**1,809,497**
Dividend paid	0	0	0	0	0
Allocation of the profit	0	67,729	51,206	0	118,935
Rate Adjustment etc., for Group companies	0	10,170	0	0	10,170
Equity capital 1 January 2020	**50,000**	**969,072**	**919,530**	**0**	**1,938,602**
Correction for the year	0	-7,230	0	0	-7,230
Dividend paid	0	0	0	0	0
Allocation of the profit	0	-55,458	20,770	0	-34,688
Rate Adjustment etc., for Group companies	0	-36,484	0	0	-36,484
Equity capital 31 December 2020	**50,000**	**869,900**	**940,300**	**0**	**1,860,200**

Cash flow statement
for the Group of 1 January to 31 December

(tDKK)	Note	2020	2019
Profit before net financials		-23,681	157,532
Amortisation/depreciation charges		144,432	129,507
Other adjustments of non-cash operating items		12,882	-11,334
Cash generated from operations before changes in working capital		133,633	275,705
Changes in working capital	23	8,031	26,075
Cash generated from operations		141,664	301,780
Interest received		36,707	73,734
Interest paid		-29,606	-18,352
Income taxes paid		-1,807	-24,525
Cash flows from operating activities		**146,958**	**332,637**
Acquisition of intangible assets		-11,043	-52,089
Acquisition of property, plant and equipment		-111,039	-117,464
Disposal of property, plant and equipment		0	8,773
Acquisition of subsidiaries	24	0	0
Capital injection		40,164	20,472
Cash flows from investing activities		**-81,918**	**-140,308**
Loan financing:			
Proceeds of debt related to non-current liabilities		11,714	7,472
Deposit of bank facilities		0	-38,220
Shareholders:			
Dividend distribution		-38,313	-42,627
Cash flows from financing activities		**-26,599**	**-73,375**
Net cash flows			
Cash and cash equivalents, beginning of year		995,454	876,583
Exchange rates cash and cash equivalents, beginning of year		-15,827	-83
Net change in cash and cash equivalents		38,441	118,954
Cash and cash equivalents, year-end	25	**1,018,068**	**995,454**

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

Notes

1 Accounting policies

The annual report of CO-RO Holding A/S for 2020 has been presented in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The financial statements have been prepared in accordance wit the same accounting policies as last year.

General about recognition and measurement
Income is recognized in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortization, depreciation and impairment losses, are recognized in the income statement when the amounts related to the financial year.

Assets are recognized in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when the company as a result of a past event has a legal or actual obligation, and it is likely that future economic benefits will flow out of the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting.

In respect to recognition and measurement, consideration are given to predictable risks and losses that occur before the Financial Statements are presented, and which confirm or refute conditions that existed on the balance sheet date.

Consolidated Financial Statements
The consolidated financial statements comprise CO-RO HOLDING A/S (the parent company) and subsidiaries controlled by CO-RO HOLDING A/S. Control means the power to exercise decisive influence over a subsidiary's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

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 may become empowered to exercise decisive influence over another entity's financial and operating decisions.

Investments in which CO-RO has joint control are classified as joint ventures.

Consolidation principles
The consolidated financial statements have been 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 realized and unrealized gains on intra-group transactions are eliminated.

The proportionate share of results of joint ventures after tax is recognized in the consolidated income statement, after elimination of the proportionate share of unrealized intra-group profit or loss.

In the consolidated financial statements, the 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, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognized directly in equity as a transaction between shareholders.

Foreign currency translation
Transactions in foreign currency are converted at first recognition at the exchange rate of the transaction day. Currency exchange rate differences that arise between the rate on the transaction day and the rate on the day of payment, shall be included in the profit and loss account as a financial item.

Outstanding amounts, debt and other monetary items in foreign currency shall be converted to the currency rate on balance day. The difference between the balance sheet date's rate and the rate at the time of the creation of the outstanding amount or debt obligation or their inclusion in the latest annual accounts are included in the profit and loss account under financial income and costs.

Foreign subsidiaries are considered to be independent units. The profit and loss statements shall be converted into an average exchange rate for the month, and the balance sheet items shall be converted into the currency rates of the balance day. Exchange rate differences that have arisen through the conversion of equity capital of foreign subsidiaries at the beginning of the year to the currency rates of the balance day and by the conversion of average rates to the currency rates of the balance day are included directly into the equity capital.

Notes

1 Accounting policies (continued)

Currency rate adjustment of outstanding accounts with independent foreign subsidiary companies that are considered part of the total investment in the subsidiary company, are included directly in the equity capital. Equivalently, exchange rate gains and losses on loans and derived financial instruments that have been concluded in order to hedge foreign subsidiary companies, are included directly in the equity capital.

In the case of recognition of foreign subsidiaries that are integrated units, monetary items are converted at the exchange rate on the balance day. Non-monetary items are converted at the exchange rate at the time of purchase, or at the time of the subsequent appreciation or depreciation of the asset. Items on the profit and loss account are converted at the transaction day rate, since items derived from non-monetary items are however converted at historic rates for the non-monetary item.

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.

The date of acquisition is the date when the Group actually obtains control of the acquiree.

The purchase method is applied to acquisitions of new businesses over which the Group obtains control. The acquired businesses' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. 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 in the group 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, contingent liabilities or the determination of the consideration is Group with uncertainty, initial recognition will take place on the basis of provisional values. If it turns out subsequently that the identification or measurement of the purchase consideration, 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 divestment or winding-up of subsidiaries which imply that control is no longer maintained are calculated as the difference between, on the one hand, the selling price less selling expenses and, on the other hand, the proportionate share of the carrying amount of net assets. If the entity still holds equity investments in the divested entity, the remaining proportionate share of the carrying amount forms the basis for the measurement of equity investments in Groups or securities and equity investments.

Non-controlling interests
On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' ownership share or at the non-controlling interests'

Notes

1 Accounting policies (continued)

proportionate share of the fair value of the acquired entity's identifiable assets, liabilities and contingent liabilities.

Intra-group business combinations
The book value method is applied to business combinations such as acquisition and disposal of equity investments, mergers, demergers, additions of assets and share conversions, etc. in which entities controlled by the parent company are involved, provided that the combination is considered completed at the time of acquisition without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are taken directly to equity.

The profit and loss statement

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

Revenue from the sale of goods and finished goods is recognized 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. Revenue is measured net of all types of discounts/rebates, VAT and other indirect taxes in connection with the sale, and are measured at the current value of the remuneration.

Production costs
Production costs include direct and indirect costs borne to achieve the revenue. In the production costs are included costs of raw materials, consumables, production personnel, indirect production costs and depreciation on production facilities.

Distribution costs
Distribution costs include costs incurred for the distribution of sold products and for sales campaigns, including costs for sales and distribution staff, advertising costs and depreciation.

Administration costs
Administration costs include costs incurred for the management and administration of the company, including costs for the administrative staff and management, as well as office costs and depreciation.

Other operating income and operating costs
Other operating income and operating costs include revenue and costs of a secondary nature in relation to the company's main activities, including public subsidies, rent and licensing income etc. as well as the profit or loss incurred by the sale of fixed assets.

Income from equity investments in Group companies
Income from equity investments in Group companies are included and measured according to the equity method, which implies that the capital shares are measured as the proportional share of the companies' internal accountable value.

In the profit and loss account, the company's share of the profit of the companies is included after elimination of internal profits.

Net revaluation of capital shares in Group companies is transferred in connection with the allocation of the results to reserve for net revaluation by the equity method under the equity capital.

Special Items
Special items are presented in a separate note. Special items include significant income and expenses not directly attributable to the Group's recurring operating activities such as restructuring cost. In addition, other non-recurring amounts are classified as special items including impairment of goodwill; significant impairments of non-current tangible assets; gains and losses on the disposal of activities; and significant gains and losses on the disposal of non-current assets.

Financial income and expenses
Financial income and expenses comprise interest income and expenses, realised and unrealised capital gains and losses on securities, payables and transactions denominated in foreign currencies as well as surcharge and refunds under the on-account tax scheme, etc.

Tax for the year
CO-RO Holding A/S is subject to the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when 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.

Notes

1 Accounting policies (continued)

The tax expense for the year, which comprises the year's current tax charge, joint taxation contributions and changes in the deferred tax charge – including changes 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.

The balance sheet

Intangible assets

Goodwill
Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10 years. The amortisation period is fixed on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market positions and long-term earnings profiles.

Intangible fixed assets
Intangible fixed assets include acquired intellectual property rights, such as software and licenses.

Acquired intangible property rights are depreciated over 7 years and are measured at cost price after deduction of accumulated depreciations and deductions. Licenses are depreciated over 3 years.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. Assets are written down to the lower of the carrying amount and the 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 net 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.

Tangible fixed assets
Land and buildings, production facilities and machinery and other facilities, operating equipment and equipment is measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the purchases price and any costs directly attributable to the acquisition until the date when the assets is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, and wages.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

	Expected service life	Scrap value
Buildings	20-40 years	DKK 0
Production plants and machinery	3-10 years	DKK 0
Other installations, operating equipment and inventory	3-10 years	DKK 0
Dispencers	5 years	DKK 0

The basis of depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of items of tangible assets are calculated as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. Assets are written down to the lower of the carrying amount and the 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 net present value of the expected net cash flows

Notes

1 Accounting policies (continued)

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.

Leases
The Group has only operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The company's total liabilities relating to operating leases and other leases are disclosed in contingencies, etc.

Investments in subsidiaries
Investments in subsidiaries are measured according to the equity method in the parent company financial statements. This implies that the equity ratios are measured at the proportionate share of the accounting equity value of the companies with the addition or deduction of unamortised positive and negative goodwill, respectively, with deduction or addition of unrealised intra-group profits and losses.

In the profit and loss statement, the company's share of the company's profit is included after elimination of unrealised intra-group profits and with the deduction or addition of depreciation of goodwill and negative goodwill, respectively.

Subsidiaries with negative accounting equity value are measured at zero, and any receivables from these companies are written down by the company's share of the negative equity value to the extent that it is assessed irrecoverable. If the accounting negative equity value exceeds the receivable, the remaining amount is included under provisions to the extent that the company has a legal or actual obligation to cover the liabilities of the company in question.

Net revaluation of investments in subsidiaries are transferred in connection with the allocation of results for reserves for net revaluation using the equity method under equity.

Investments in joint ventures
Investments in which CO-RO has joint control are classified as joint ventures. Investments in joint ventures are measured according to the equity method at the proportionate share of the entities' net asset values in the parent company financial statements. This implies that the equity ratios are measured at the proportionate share of the accounting equity value of the Joint ventures with the addition or deduction of unamortised positive and negative goodwill, respectively, with deduction or addition of unrealised intra-group profits and losses.

In the profit and loss statement, the company's share of the joint ventures profit is included after elimination of unrealised intra-group profits and with the deduction or addition of depreciation of goodwill and negative goodwill, respectively.

Impairment of investments
Impairment tests are conducted on investments in Group companies when there is evidence of impairment. Investments in subsidiaries and associates are written down to the lower of the carrying amount and the 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 net 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.

Other assets
Receivables included under fixed assets include long-term leasing rights on land abroad. These shall be measured by the first inclusion at cost price and shall be amortised over the period of the lease.

Inventories
Inventories are measured at cost price, calculated in accordance with the FIFO or net realizable value where this is lower.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

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

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Notes

1 Accounting policies (continued)

Receivables
Receivables shall be measured at amortised cost, which usually corresponds to the nominal value less any impairment losses to meet expected depreciation.

Prepayments
Prepayments recognised under "Current assets" comprise expenses incurred concerning subsequent financial years.

Cash
Cash comprises cash balances and bank balances.

Securities and investments
Securities included under current assets include listed securities that are measured at fair value (market price) at the balance sheet date.

Equity capital

Reserve for net revaluation according to the equity method
Net revaluation of investment in Group companies is recognised at cost in the reserve for net revaluation according to the equity method.

The reserve can be eliminated in case of losses, realisation of equity investments or a change in accounting estimates.

The reserve cannot be recognised at a negative amount.

Reserve for development costs
The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the transferred profit reserve under equity.

Dividend
Dividend proposed for the year is recognised as a liability at the date when it is adopted at the general meeting (declaration date). Dividend expected to be distributed for the year is disclosed as a separate item under equity.

Income tax and deferred tax
Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on prior-year taxable income and tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Income tax receivable" or "Income tax payable".

Deferred tax is measured using the balance sheet 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 or on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting neither the profit/loss for the year nor the 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 assets, including the tax base of tax loss carry-forwards, 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 and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) 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 fair value.

Provisions include employee liabilities which must be paid upon termination in accordance with local legislation.

Other financial liabilities
Other financial liabilities shall be measured at amortised cost, which usually corresponds to the nominal value.

Other liabilities are measured at net realisable value.

Prepayments received from customers
Prepayments received from customers a recognized as a liability comprises payments received concerning income in subsequent financial reporting years.

Fair value
Fair value measurements are based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximizes the price of the asset or liability less transaction and/or transport costs.

Notes

1 Accounting policies (continued)

All assets and liabilities that are measured at fair value or where the fair values is disclosed are classified based on the fair value hierarchy, see below:

Level 1:
Value based on the fair value of corresponding assets/liabilities in a well-functioning market.

Level 2:
Value calculated on the basis of recognised valuation methods based on observable market information.

Level 3:
Value calculated on the basis of recognised valuation methods and reasonable estimates are made on the basis of non-observable market information.

Cash flow statement
The cash flow statement is presented according to the indirect method and shows cash flows relating to operations, investments and financing as well as the company's cash at the beginning and end of the year.

Cash flows concerning operating activities is calculated as operating income adjusted for non-cash operating items, changes in working capital as well as paid corporation tax.

Cash flows concerning investing activities include payments in connection with the acquisitions and sales of companies, activities and financial fixed assets as well as the purchase, development, improvement and sales, etc. of intangible fixed assets and fixed assets.

Cash flows concerning financing activities include changes in the size or composition of the company's share capital and related expenses, as well as borrowing of loans, repayment of interest-bearing debt, purchase of own shares and payment of dividends.

Cash includes cash and cash equivalents and short-term securities with an insignificant exchange rate risk less short-term bank debt, which is related to operating funding.

Omission of a cash flow statement
With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flow are reflected in the consolidated cash flow statement.

Segment information
Segment information is disclosed by geographic markets. Segment information follows the Group’s accounting policies, risks and internal financial management.

Organic Growth
Organic growth is calculated as realized numbers recalculated to last year currencies and adjusted for acquisitions done in the year.

Financial highlights
The key ratios presented under “Highlights 2020” have been calculated as follows:

Return on assets $$\frac{\text{Profit before financial items, etc. x 100}}{\text{Average assets}}$$

Return on equity capital $$\frac{\text{The financial profit for the year after tax excl. minority interests x 100}}{\text{Average equity capital excl. minority interests}}$$

Solvency ratio $$\frac{\text{Equity capital excl. minority interests, year end x 100}}{\text{Total liabilities, year end}}$$

Notes

2 Segment information on Revenue

(tDKK)	Parent company 2020	Parent company 2019	Group 2020	Group 2019
Geographic markets				
Europe and Overseas	0	0	253,307	226,320
Asia and Pacific Ocean	0	0	436,206	590,216
Middle-East and Africa	0	0	849,542	1,154,253
	0	**0**	**1,539,055**	**1,970,789**

3 Staff expenses

(tDKK)	Parent company 2020	Parent company 2019	Group 2020	Group 2019
Wages and salaries	0	0	267,182	312,594
Pensions	0	0	21,192	27,620
Other expenses for social security	0	0	3,978	5,757
	0	**0**	**292,352**	**345,971**
The number of people employed on average	0	0	1,228	1,242

The staff expenses are included in the items production, distribution, and administration expenses.Remuneration to the company's management and board of directors in 2020 is 7,423 tDKK (2019: 7,518 tDKK).

4 Other operating income

(tDKK)	Parent company 2020	Parent company 2019	Group 2020	Group 2019
Profit on the sale of fixed assets	0	0	818	5,318
Other operating income	0	0	4,735	4,131
	0	**0**	**5,553**	**9,449**

Other operating income consist among others of sales of octoboxes, plastic caps and pallets.

5 Other operating costs

(tDKK)	Parent company 2020	Parent company 2019	Group 2020	Group 2019
Property management, leasehold property	0	0	0	137
Depreciation, leasehold property	0	0	0	224
Non-continuing business	0	0	5,468	0
Other operating costs	0	0	2,041	0
	0	**0**	**7,509**	**361**

6 Special items

In 2020 CO-RO Group has recorded special items of 26 mDKK related to the following. 11 mDKK is related to non-continuing business in China, as we decided to close Jinan Huiyuan CO-RO Food Co. In addition, impairment of 15 mDKK was made on production assets in Bidcoro, Kenya, adjusting to a post Covid-19 situation in East Africa. The change to the Group and the parent company's financial statements on the respective accounting items is disclosed below:

(tDKK)	**Parent** Regulation as a result of special items	**Group** Regulation as a result of special items
Revenue	0	-647
Distribution costs	0	18,700
Administrative costs	0	2,479
Other operating costs	0	5,468
Profit for the year	**0**	**26,000**
Balance		
Tangible fixed assets	0	15,000
Accruals and deffered expenses	0	11,000
Assets	**0**	**26,000**
Equity	0	26,000
Liabilities	**0**	**26,000**

Notes

7 Income from investments in Group companies

(tDKK)	Parent company 2020	Parent company 2019	Group 2020	Group 2019
Share from profit in Group companies	-29,122	65,202	0	0
Offset in internal profit after tax on inventories purchased within the group	-19,213	10,567	0	0
Goodwill depreciation	-7,123	-8,040	0	0
Impairment JKD	0	0	0	0
	-55,458	**67,729**	**0**	**0**

8 Financial income

(tDKK)	Parent company 2020	Parent company 2019	Group 2020	Group 2019
Group companies	1,558	1,630	0	0
Other financial income	25,813	64,191	39,771	73,784
	27,371	**65,821**	**39,771**	**73,784**

9 Financial expenses

(tDKK)	Parent company 2020	Parent company 2019	Group 2020	Group 2019
Group companies	0	0	0	0
Other financial expenses	282	148	40,276	28,074
	282	**148**	**40,276**	**28,074**

10 Tax on ordinary profit

(tDKK)	Parent company 2020	Parent company 2019	Group 2020	Group 2019
Tax on profit for the year	5,955	14,443	18,574	42,508
Adjustment of deferred tax	0	0	1,071	1,953
Adjustment to tax relating to previous years	343	0	-204	-1,292
	6,298	**14,443**	**19,441**	**43,169**

11 Intangible assets

(tDKK)	Acquired rights	Goodwill
Group		
Cost price 1/1 2020	75,324	75,815
Rate adjustment at closing rate	-324	0
New entries for the year	14,214	0
Disposals for the year	0	0
Cost price 31/12 2020	**89,214**	**75,815**
Amortisation and impairment losses 1/1 2020	-23,503	-10,050
Rate adjustment at closing rate	242	0
The year's amortisation and impairment losses	-13,748	-7,123
Amortisation and impairment losses 31/12 2020	**-37,009**	**-17,173**
Accounting value 31/12 2020	**52,205**	**58,642**

Acquired software rights relate to the implementation and development of a new ERP system. Management has based on the current activity level made an assessment that there are no indications of impairment.

Notes

12 Tangible assets

(tDKK)	Land and buildings	Production facility and machinery	Other installations, operating equipment and furniture	Non-current assets under construction and pre-payments	Tangible assets in total
Group					
Cost price 1/1 2020	695,061	1,066,081	116,365	115,940	1,993,447
Rate adjustment at closing rate	-33,460	-75,020	-5,738	-79	-114,297
New entries for the year	14,910	102,588	20,869	71,498	209,865
Disposals for the year	0	-21,194	-8,892	0	-30,086
Transferred in the year	0	0	0	-98,826	-98,826
Cost price 31/12 2020	**676,511**	**1,072,455**	**122,604**	**88,533**	**1,960,103**
Depreciation and impairment losses 1/1 2020	-299,932	-662,503	-82,742	0	-1,045,177
Rate adjustment at closing rate	10,396	45,034	4,029	0	59,459
The year's depreciation and impairment losses	-21,972	-106,342	-10,173	0	-138,169
Accumulated depreciation, divested assets	0	8,772	5,865	0	14,319
Depreciation and impairment losses 31/12 2020	**-311,508**	**-715,039**	**-83,021**	**0**	**-1,109,568**
Accounting value 31/12 2020	**365,003**	**357,416**	**39,583**	**88,533**	**850,535**

Notes

13 Financial fixed assets

(tDKK)	Other receivables
Group	
Cost price 1/1 2020	9,800
Rate adjustment at closing rate	-449
Additions for the year	1,351
Disposals for the year	-493
Cost price 31/12 2020	**10,209**

(tDKK)	Investments in Group companies
Parent company	
Cost price 1/1 2020	72,931
New entries for the year	0
Disposals for the year	0
Cost price 31/12 2020	**72,931**
Revaluation 1/1 2020	969,072
Received dividends	0
Offset in internal profit after tax on inventories	-19,213
Rate adjustment at closing rate, etc.	-36,484
Share of profit for the year	-29,122
Goodwill amortisation	-7,123
Revaluation of the year	-7,230
Revaluation 31/12 2020	**869,900**
Accounting value 31/12 2020	**942,831**

13 Financial fixed assets (continued)

Group companies:

Company name	Registered address	Ownership share
CO-RO A/S	Frederikssund, Denmark	100%
CO-RO Food (China) Ltd.	China	100%
CO-RO Deutschland GmbH	Germany	100%
CO-RO Beverage Trading LLC, Dubai	UAE	100%
Golden Creation (Tianjin) Trade CO., Limited	China	100%
CO-RO Scwitzerland SAGL	Switzerland	100%
Sunquick Lanka Pvt. Ltd.	Sri Lanka	51%
ACI-CORO Bangladesh Ltd.	Bangladesh	50.1%
Binzagr CO-RO Ltd.	Saudi Arabia	50%
Barkath CO-RO SDN BHD	Malaysia	50%
Barkath CO-RO Manufactoring SDN BHD	Malaysia	50%
BIDCORO Africa Ltd.	Kenya	50%
Khudairi CORO Trading DMCC, Dubai	UAE	50%
TAKCORO international Beverage Company	Iran	50%
Jinan Huiyuan CO-RO Food CO., Ltd (Joint Venture)	China	50%
Rania for Food Products Ltd.	Iraq	49%
Sunquick Lanka Properties Pvt. Ltd.	Sri Lanka	49%

All subsidiaries are independent entities.

Due to the expected challenging market conditions in 2020 management has assessed the valuation of the Group's assets for each cash generating unit (CGU). The assessment has led to impairment on production assets in BIDCORO of 15 mDKK.

Management has based the value in use for the operations in Kenya by estimating the present value of future cash flows from a 5-year forecast approved by the board of directors. Key parameters in the forecast are trend in revenue, cost development and growth expectations.

A negative change to the assumptions for revenue and cash flows or an increase in discount rate applied will result in need for further impairment of the operations in Kenya.

Notes

14 Accruals and deferred expenses

	Parent company		Group	
(tDKK)	**2020**	**2019**	**2020**	**2019**
Prepaid lease	0	0	1,906	8,451
Prepaid insurances	0	0	4,604	477
Other	0	0	15,556	14,663
	0	**0**	**22,066**	**23,591**

15 Equity capital

	Group	
(tDKK)	**2020**	**2019**
The share capital is distributed as follows:		
A-stocks, 2 of TDKK 2,500	5,000	5,000
B-stock, 2 of TDKK 22,500	45,000	45,000
	50,000	**50,000**

There have not been any changes in the share capital the last 5 years.

16 Allocation of the Profit

	Parent company	
(tDKK)	**2020**	**2019**
Reserve for net revaluation in accordance with the equity method	-55,458	67,729
Transferred profit	20,770	51,206
Total distribution	**-34,688**	**118,935**

17 Minority interests

	Parent company		Group	
(tDKK)	**2020**	**2019**	**2020**	**2019**
Minority interests 1 January	0	0	333,698	309,898
Disposal for the year	0	0	7,230	0
Share of profit for the year	0	0	-8,939	41,138
Distributed dividends	0	0	-38,313	-42,626
Capital contribution	0	0	40,164	17,290
Currency exchange adjustments	0	0	-32,930	7,998
Minority interests 31. december	**0**	**0**	**300,910**	**333,698**

18 Provision for pensions and similar

	Parent company		Group	
(tDKK)	**2020**	**2019**	**2020**	**2019**
Severance obligation opening balance	0	0	27,236	27,863
Rate adjustment at closing rate	0	0	-4,117	-898
This year's adjustment	0	0	1,897	271
	0	**0**	**25,016**	**27,236**

Provisions relate to the severance obligation to employees of foreign group companies and will be paid as the employees in these companies leave the group.

Notes

19 Provision for deferred tax

	Parent company		Group	
(tDKK)	**2020**	**2019**	**2020**	**2019**
Intangible assets	0	0	11,355	11,141
Tangible assets	0	0	868	7,656
Inventories	0	0	1,190	1,104
Accruals	0	0	93	100
Internal profit	0	0	-22,020	-15,608
	0	**0**	**-8,514**	**4,393**
Deferred tax 1 January	0	0	4,393	-7,101
This year's adjustment of deferred tax	0	0	-12,907	11,494
Deferred tax 31 December, net	**0**	**0**	**-8,514**	**4,393**

The Group has on 31. December 2020 included a deferred tax asset totalling 31.6 mDKK. The tax asset consists of time differences on group eliminated internal profit.

Based on the budgets, management has assessed the probability that future taxable income will be available in which the tax asset can be utilised.

20 Contingencies and other financial obligations

The parent company is jointly taxed with the Danish subsidiary. As a management company, the company is indefinitely and jointly and severally liable with the subsidiary for Danish corporate taxes and withholding taxes on dividends, interest and royalties within the joint taxation circle. The jointly taxed companies' total known net obligation on corporate taxes and withholding taxes payable on dividends, interest and royalties amounts to 3,3 mDKK as of 31. December 2020. Any subsequent corrections to the joint taxation income or withholding taxes, etc. may result in the companies' liability amounting to a greater amount. The Group as a whole is not liable to others.

The company is jointly and severally liable with jointly registered group companies for the total VAT obligation. There is no liability per 31. December 2020.

20 Contingencies and other financial obligations (continued)

Rental and lease contracts
A facility management agreement has been concluded concerning tools and equipment in CO-RO A/S. An agreement has also been concluded with Tetra Pak on the leasing of production equipment. Total future liabilities comprise:

	Parent company		Group	
(tDKK)	**2020**	**2019**	**2020**	**2019**
Within one year	0	0	3,659	3,728
Between one and five years	0	0	5,534	6,841
After five years	0	0	0	0
	0	**0**	**9,193**	**10,568**

Mortgages and collateral
The property in Barkath CO-RO Sdn. BHD. is provided as collateral for bank facilities in Barkath CO-RO Manufacturing Sdn. BHD. The property's book value per. December 31, 2020 amounted to 17.5 mMYR equivalent to 26.2 mDKK. The bank debt is per 31. December 2020 at DKK 0.

CO-RO A/S has guaranteed bank debt in subsidiaries in China up to 7.6 mEUR - equivalent to 56.6 mDKK. The bank debt amounts to 45 mDKK as of 31. December 2020.

Contingent assets
The Group has no contingent assets.

Contingent liabilities
Binzagr CO-RO Company Ltd. has initiated appeals regarding the resumption of corporate tax cases for 2009 to 2011 and 2018. The contingent liability is estimated to amount to 8.8 mDKK.

CO-RO Food (China) Ltd. has a dispute regarding a leased land. The dispute is not expected to cause future economic consequences.

In 2020 a support letter to BIDCORO and JKD has been granted till the end of 2021.

Notes

21 Related parties

	Basis
Determining influence	
CO-RO´s Fond, Holmensvej 11, 3600 Frederikssund	Principal shareholder
Other related parties	
Preben König	Chairman of the board
Michael Ring	Member of the Board of Directors
Annette Kobberup Stougaard	Member of the Board of Directors

CO-RO Holding A/S have had following transactions with related parties:

	Parent company		Group	
(tDKK)	**2020**	**2019**	**2020**	**2019**
Interest income Group companies	1,558	1,630	0	0
Interest costs Group companies	0	0	0	0
Receivables Group companies	46,684	32,685	0	0
Debts Group companies	0	0	0	0

22 Remuneration to auditor elected at the general assembly

	Parent company		Group	
(tDKK)	**2020**	**2019**	**2020**	**2019**
Auditor's remuneration Ernst & Young	18	18	1,685	1,511
Other services	0	0	76	120
Tax consulting	5	5	878	199
	23	**23**	**2,639**	**1,830**

23 Changes in working capital

	Group	
(tDKK)	**2020**	**2019**
Change in inventories	-19,793	27,583
Change in receivables	47,268	-44,473
Change in trade and other payables	-19,444	42,965
Decrease/(Increase) in working capital	**8,031**	**26,075**

24 Acquisition of subsidiaries and activities

In 2020 a capital increase of 13,553 tDKK in BIDCORO and 29,787 tDKK in ACI-CORO Bangladesh Ltd. was made.

25 Cash and cash equivalents

	Group	
(tDKK)	**2020**	**2019**
Cash and cash equivalents at 31 December comprise:		
Securities with terms to maturity of less than three months	850,224	848,000
Cash	234,619	229,094
Debt	-66,775	-81,640
Total cash and cash equivalents at 31 december	**1,018,068**	**995,454**

Company details

CO-RO Holding A/S
Holmensvej 11
DK-3600 Frederikssund

Phone:	+45 47 36 51 00
Fax:	+45 47 38 38 88
CVR no.:	14 79 06 08
Established:	9 October 1990
Municipality of registred office:	Frederikssund
Financial year:	1 January - 31 December

Board of directors CO-RO Holding A/S:
Michael Ring (Chairman)
Jens Albert Harsaae (Vice chairman)
Torsten Steenholt Christensen
Per Falholt
Sisse Fjelsted Rasmussen

Executive board:
Søren Holm Jensen

Auditors:
EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
DK-2000 Frederiksberg

Ownership:
CO-ROs FOND
Holmensvej 11
DK-3600 Frederikssund

CO-RO Holding A/S
Holmensvej 11
DK-3600 Frederikssund

www.co-ro.com

CVR no. 14 79 06 08

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registereret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Søren Holm Jensen
Adm. direktør
På vegne af: CO-RO A/S og CO-RO Holding A/S
Serienummer: PID:9208-2002-2-768283453817
IP: 213.237.xxx.xxx
2021-06-10 17:09:12Z
NEM ID

Torsten Steenholt Christensen
Bestyrelse
På vegne af: CO-RO A/S og CO-RO Holding A/S
Serienummer: PID:9208-2002-2-678560646740
IP: 5.186.xxx.xxx
2021-06-10 20:58:31Z
NEM ID

Sisse Fjelsted Rasmussen
Bestyrelse
På vegne af: CO-RO A/S og CO-RO Holding A/S
Serienummer: PID:9208-2002-2-857228904193
IP: 62.44.xxx.xxx
2021-06-10 21:08:53Z
NEM ID

Michael Ring
Bestyrelsesformand
På vegne af: CO-RO A/S og CO-RO Holding A/S
Serienummer: PID:9208-2002-2-247083286661
IP: 93.164.xxx.xxx
2021-06-11 05:06:10Z
NEM ID

Per Falholt
Bestyrelse
På vegne af: CO-RO A/S og CO-RO Holding A/S
Serienummer: PID:9208-2002-2-964475328065
IP: 2.106.xxx.xxx
2021-06-11 05:48:21Z
NEM ID

Jens Albert Harsaae
Bestyrelse
På vegne af: CO-RO A/S og CO-RO Holding A/S
Serienummer: PID:9208-2002-2-115794368707
IP: 46.246.xxx.xxx
2021-06-11 05:54:17Z
NEM ID

Jan C Olsen
Statsautoriseret revisor
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: CVR:30700228-RID:28761615
IP: 83.92.xxx.xxx
2021-06-11 07:16:00Z
NEM ID

Dennis Erdman Dupont
Statsautoriseret revisor
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: PID:9208-2002-2-084945318114
IP: 145.62.xxx.xxx
2021-06-11 07:25:58Z
NEM ID

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Preben Edvard Kønig
Dirigent
På vegne af: CO-RO A/S og CO-RO Holding A/S
Serienummer: PID:9208-2002-2-746849512822
IP: 31.31.xxx.xxx
2021-06-11 07:40:40Z

NEM ID