

## MONACOR DANMARK A/S

Farum Gydevej 65,  
3520 Farum

CVR No. 12188544

## Annual Report 2021/22

34. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 4 October 2022

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Thomas Mikus  
Chairman

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## Management's Statement

Today, Management has considered and adopted the Annual Report of MONACOR DANMARK A/S for the financial year 1 June 2021 - 31 May 2022.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 May 2022 and of the results of the Company's operations for the financial year 1 June 2021 - 31 May 2022.

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

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

Farum, 4 October 2022

### Executive Board

Svend Erik Lund  
Manager

### Supervisory Board

Thomas Mikus  
Chairman

Svend Erik Lund  
Member

Hendrik Werner Iffländer  
Member

## The independent practitioner's report

To the shareholders of MONACOR DANMARK A/S

### Conclusion

We have performed an extended review of the financial statements of MONACOR DANMARK A/S for the financial year 2021/22, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 May 2022 and of the results of the Company's operations for the financial year 1 June 2021 - 31 May 2022 in accordance with the Danish Financial Statements Act.

### Basis for conclusion

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

### Management's responsibilities for the financial statements

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

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

### Practitioner's responsibilities for the extended review of the financial statements

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

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

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

### Statement on the Management's review

Management is responsible for the Management's review.

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

**MONACOR DANMARK A/S**

## **The independent practitioner's report**

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

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

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 in the Management's review.

Copenhagen, 4 October 2022

**HARBOE CONSULT ApS - GODKENDT REVISIONSVIRKSOMHED**  
CVR-no. 35649417

John Petersson  
State Authorised Public Accountant  
mne29420

## MONACOR DANMARK A/S

### Company details

<b>Company</b>	MONACOR DANMARK A/S Farum Gydevej 65, 3520 Farum
email	mail@monacor.dk
CVR No.	12188544
Date of formation	13 June 1988
<b>Supervisory Board</b>	Thomas Mikus Svend Erik Lund, Manager Hendrik Werner Iffländer
<b>Executive Board</b>	Svend Erik Lund, Manager
<b>Parent Company</b>	Monacor International GmbH & Co KG
<b>Auditors</b>	HARBOE CONSULT ApS - GODKENDT REVISIONSVIRKSOMHED Grønningen 17, st. th. 1270 København K CVR-no.: 35649417

## Management's Review

### **The Company's principal activities**

The Company's principal activities consist in wholesale of audio equipment.

### **Insecurity regarding recognition or measurement**

There is no material insecurity regarding recognition or measurement.

### **Exceptional circumstances**

No exceptional circumstances have affected recognition or measurement.

### **Development in the activities and the financial situation of the Company**

The Company's Income Statement of the financial year 1 June 2021 - 31 May 2022 shows a result of DKK 681.316 and the Balance Sheet at 31 May 2022 a balance sheet total of DKK 12.115.868 and an equity of DKK 9.093.353.

### **Post financial year events**

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

## Accounting Policies

### Reporting Class

The Annual Report of MONACOR DANMARK A/S for 2021/22 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

### Reporting currency

The Annual Report is presented in Danish kroner.

### Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

## General Information

### Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.



## Accounting Policies

### Income Statement

#### Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operation income, cost of raw and consumables and other external expenses.

#### Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and net of sales discounts.

#### Raw materials and consumables used

Costs for raw materials and consumables comprise the cost of goods purchased less discounts, costs subcontractors and change in inventories for the year.

#### Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises, loss of debtors, operating leasing costs etc.

#### Staff expenses

Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

#### Amortisation and impairment of tangible assets

Amortisation and impairment of tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Properties	40 years	20%
Other fixtures and fittings, tools and equipment	3-5 years	0-20%

Land is not amortised.

Profit or loss resulting from the sale of tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

#### Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies and surcharges and allowances under the tax prepayment scheme.

#### Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

## Accounting Policies

### Balance Sheet

#### Tangible assets

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

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

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

#### Inventories

Inventories are measured at cost on the basis of the FIFO principle. Where the net realisable value is lower than cost, the inventories are written down to this lower value.

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

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

#### Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

#### Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

## Accounting Policies

### Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Proposed dividend for the year is recognised as a separate item in equity.

### Provisions

#### Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

#### Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

#### Other payables

Other payables are measured at amortised cost, which usually corresponds to the nominal value

#### Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## Income Statement

	Note	2021/22 kr.	2020/21 kr.
<b>Gross profit</b>		<b>4.673.548</b>	<b>5.346.506</b>
Employee benefits expense	1	-3.522.729	-3.816.638
Depreciation, amortisation expense and impairment losses of property, plant and equipment recognised in profit or loss		-171.434	-222.415
<b>Profit from ordinary operating activities</b>		<b>979.384</b>	<b>1.307.454</b>
Other finance income		1.770	2.577
Finance expenses		-107.273	-85.518
<b>Profit from ordinary activities before tax</b>		<b>873.881</b>	<b>1.224.513</b>
Tax expense on ordinary activities	2	192.564	178.662
<b>Profit</b>		<b>681.317</b>	<b>1.045.851</b>
<b>Proposed distribution of results</b>			
Proposed dividend recognised in equity		0	900.000
Retained earnings		681.317	145.851
<b>Distribution of profit</b>		<b>681.317</b>	<b>1.045.851</b>

MONACOR DANMARK A/S

Balance Sheet as of 31 May

	Note	2022 kr.	2021 kr.
<b>Assets</b>			
Land and buildings	3	7.236.266	7.303.526
Fixtures, fittings, tools and equipment	4	152.503	241.696
<b>Property, plant and equipment</b>		<b>7.388.769</b>	<b>7.545.222</b>
<b>Fixed assets</b>			
		<b>7.388.769</b>	<b>7.545.222</b>
Manufactured goods and goods for resale		1.924.136	2.146.661
<b>Inventories</b>		<b>1.924.136</b>	<b>2.146.661</b>
Short-term trade receivables		1.495.635	1.350.913
Short-term receivables from group enterprises		106.924	222.691
Other short-term receivables		61.785	3.440.982
Deferred expenses		0	103.696
<b>Receivables</b>		<b>1.664.344</b>	<b>5.118.282</b>
<b>Cash and cash equivalents</b>		<b>1.138.619</b>	<b>1.279.312</b>
<b>Current assets</b>		<b>4.727.100</b>	<b>8.544.256</b>
<b>Assets</b>		<b>12.115.869</b>	<b>16.089.478</b>

MONACOR DANMARK A/S

Balance Sheet as of 31 May

	Note	2022 kr.	2021 kr.
<b>Liabilities and equity</b>			
Contributed capital		600.000	600.000
Retained earnings		8.493.353	12.012.036
Proposed dividend recognised in equity		0	900.000
<b>Equity</b>		<b>9.093.353</b>	<b>13.512.036</b>
Provisions for deferred tax		595.874	548.048
<b>Provisions</b>		<b>595.874</b>	<b>548.048</b>
Other payables		0	256.611
<b>Long-term liabilities other than provisions</b>		<b>0</b>	<b>256.611</b>
Trade payables		208.605	165.466
Payables to group enterprises		364.888	31.052
Tax payables		91.738	3.840
Other payables		1.761.411	1.572.426
<b>Short-term liabilities other than provisions</b>		<b>2.426.642</b>	<b>1.772.783</b>
<b>Liabilities other than provisions within the business</b>		<b>2.426.642</b>	<b>2.029.394</b>
<b>Liabilities and equity</b>		<b>12.115.869</b>	<b>16.089.478</b>
Contingent liabilities	5		
Collaterals and assets pledged as security	6		
Special items	7		

**Statement of changes in Equity**

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Proposed dividend recognised in equity</b>	<b>Extraordinary dividend recognised in equity</b>	<b>Total</b>
Equity 1 June 2021	600.000	12.012.036	900.000	0	13.512.036
Proposed dividend	0	-4.200.000	0	4.200.000	0
Dividend paid	0	0	-900.000	-4.200.000	-5.100.000
Profit (loss)	0	681.317	0	0	681.317
<b>Equity 31 May 2022</b>	<b>600.000</b>	<b>8.493.353</b>	<b>0</b>	<b>0</b>	<b>9.093.353</b>

The share capital has remained unchanged for the last 5 years.

## Notes

	2021/22	2020/21
<b>1. Employee benefits expense</b>		
Wages and salaries	3.221.729	3.511.470
Post-employment benefit expense	243.584	253.588
Social security contributions	57.417	51.579
	<b>3.522.730</b>	<b>3.816.637</b>
Average number of employees	7	9
<b>2. Tax expense</b>		
Tax of the results for the year	144.738	70.840
Adjustment for the year of deferred tax	47.826	107.822
	<b>192.564</b>	<b>178.662</b>
<b>3. Land and buildings</b>		
Cost at the beginning of the year	9.734.319	14.860.959
Addition during the year, incl. improvements	0	29.000
Disposal during the year	0	-5.155.640
<b>Cost at the end of the year</b>	<b>9.734.319</b>	<b>9.734.319</b>
Depreciation and amortisation at the beginning of the year	-2.430.793	-4.428.644
Amortisation for the year	-67.260	-121.064
Reversal of impairment losses and amortisation of disposed assets	0	2.118.915
<b>Impairment losses and amortisation at the end of the year</b>	<b>-2.498.053</b>	<b>-2.430.793</b>
<b>Carrying amount at the end of the year</b>	<b>7.236.266</b>	<b>7.303.526</b>
<b>4. Fixtures, fittings, tools and equipment</b>		
Cost at the beginning of the year	2.775.322	2.565.097
Addition during the year, incl. improvements	14.981	210.225
<b>Cost at the end of the year</b>	<b>2.790.303</b>	<b>2.775.322</b>
Depreciation and amortisation at the beginning of the year	-2.533.626	-2.432.275
Amortisation for the year	-104.174	-101.351
<b>Impairment losses and amortisation at the end of the year</b>	<b>-2.637.800</b>	<b>-2.533.626</b>
<b>Carrying amount at the end of the year</b>	<b>152.503</b>	<b>241.696</b>



## Notes

2021/22

2020/21

**5. Contingent liabilities**

Leasing liabilities comprises of lease agreements until maturity in total of DKK 24.396 at 31 May 2022 (2021: DKK 28.518).

**6. Collaterals and securities**

No securities or mortgages exist at the balance sheet date.

**7. Special items**

Profit, sale of property	0	393.275
Rental income, property	443.862	653.879
	<u>443.862</u>	<u>1.047.154</u>