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GateHouse Holding A/S

Strømmen 6
9400 Nørresundby
CVR No. 12948700

Annual report 01.10.2021 - 30.09.2022

The Annual General Meeting adopted the annual report on 15.12.2022

Jakob Axel Nielsen
Chairman of the General Meeting

Contents

Entity details

Entity

GateHouse Holding A/S
Strømmen 6
9400 Nørresundby

Business Registration No.: 12948700
Registered office: Aalborg
Financial year: 01.10.2021 - 30.09.2022

Board of Directors

Jakob Axel Nielsen, Chairman
Nina Christiane Movin, Vice chairman
Søren Bondo Andersen, Board member
Mads Peter Lübeck, Board member
Petar Popovski, Board member

Executive Board

Michael Bondo Andersen, CEO
Kenney Schmidt Christiansen, CFO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Østre Havnepromenade 26, 4th floor
9000 Aalborg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of GateHouse Holding A/S for the financial year 01.10.2021 - 30.09.2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.09.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.10.2021 - 30.09.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aalborg, 15.12.2022

Executive Board

Michael Bondo Andersen
CEO

Kenney Schmidt Christiansen
CFO

Board of Directors

Jakob Axel Nielsen
Chairman

Nina Christiane Movin
Vice chairman

Søren Bondo Andersen
Board member

Mads Peter Lübeck
Board member

Petar Popovski
Board member

Independent auditor's report

To the shareholders of GateHouse Holding A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of GateHouse Holding A/S for the financial year 01.10.2021 - 30.09.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.09.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.10.2021 - 30.09.2022 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 financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Entity's internal control.

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent 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 commentary.

Aalborg, 15.12.2022

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Birner Sørensen
State Authorised Public Accountant
Identification No (MNE) mne11671

Management commentary

Financial highlights

	2021/22 DKK'000	2020/21 DKK'000	2019/20 DKK'000	2018/19 DKK'000	2017/18 DKK'000
Key figures					
Gross profit/loss	44,438	36,735	54,842	132,203	38,327
Operating profit/loss	(7,177)	(3,681)	27,428	101,429	(9,990)
Net financials	(1,556)	17,035	(1,239)	(440)	(221)
Profit/loss for the year	(6,358)	15,046	26,619	99,893	(8,533)
Profit for the year excl. minority interests	(5,425)	15,826	26,619	100,082	(6,377)
Balance sheet total	152,957	145,772	136,595	163,139	38,129
Investments in property, plant and equipment	0	1,643	280	825	451
Equity	94,736	97,932	75,848	112,926	17,004
Equity excl. minority interests	89,456	95,243	75,848	112,926	16,879
Cash flows from operating activities	(7,046)	(8,743)	8,456	6,782	(9,564)
Cash flows from investing activities	(12,957)	22,513	57,980	(1,839)	(8,009)
Cash flows from financing activities	9,055	(12,480)	(63,900)	(4,000)	(2,757)
Ratios					
Return on equity (%)	(5.87)	17.32	28.17	153.76	(38.50)
Equity ratio (%)	58.48	65.34	55.53	69.22	44.27

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Optional ratio 7 (%):
xxxxx * 100
yyyyy

Equity ratio (%):
Equity excl. minority interests * 100
Balance sheet total

Primary activities

GateHouse Group connects the world through intelligent software.

With our subsidiary GateHouse Maritime A/S, we provide market-leading software solutions for end-to-end ocean visibility and predictability.

Through our subsidiary GateHouse Satcom A/S, we provide a range of market-leading software products and develop services to the satellite communication industry for commercial, governmental, and military markets.

Moreover, the parent company invest in new startups within software solutions through the company GateHouse Igniter A/S.

Development in activities and finances

The income statement of the Group for 2021/22 shows a loss of DKK 6,358k. At the end of September 2022, the balance sheet of the Group shows equity of DKK 94,736k and the solvency ratio stands at 58.48 %. The result is considered satisfactory.

Profit/loss for the year in relation to expected developments

As last years annual report was prepared after reporting class B, no expected development was communicated.

Outlook

GateHouse expects to continue expanding commercial activities. This will encompass increased cost resulting in an expected operating loss of app. negative 5.0-8.0 MDKK.

Use of financial instruments

As a result of GateHouse Group investments and financing, the group is exposed to changes in exchange rates and interest rates. It is therefore the group's goal and policy to ensure effective management of significant fluctuations in exchange rates and interest rates that may affect the company's financial position, for thereby minimizing the risks of significant fluctuations. The company uses financial instruments for management of these risks. It is the group's policy not to engage in active speculation in financial risks. The group's financial management is therefore only aimed at managing financial risks that have already been taken on.

Knowledge resources

The ambition to be a market leader and to be one step ahead of technological development means that Gatehouse Group is characterized by a dynamic and rapidly changing knowledge environment. In the past financial year, there has been an increase of competent and experienced employees, who have strengthened the GateHouse Group starting point in terms of knowledge and competence.

Environmental performance

Gatehouse Group is an environmentally conscious group that continuously works to influence the group's operations using our ESG policy.

Research and development activities

Development projects in progress comprise two projects:
1.GateHouse Satcom's development of the NB-IoT technology. The product is expected to be in usage in 2023/24.
2. GateHouse Maritime's development of additional AI features. Feature development will continuously be developed. The current features development is expected to be in usage 2022/23.

Cost for both projects are internal wages and external expenses.

The management has performed impairment test of the carrying amount of the development projects. The projects are estimated to contribute to future positive cashflow and are upon completion expected to be a large part of the primary activities

Parent treasury shares

	Number	Nominal value DKK'000	Share of contributed capital %	Purchase/ (selling) price DKK'000
A-shares	7,102	7	0.55	521
Investments acquired	**7,102**	**7**	**0.55**	
A-shares	4,774	5	0.37	350
Investments disposed of	**4,774**	**5**	**0.37**	
A-shares	2,328	2	0.18	
Holding of treasury shares	**2,328**	**2**	**0.18**	

Trasury shares are acquired in relation to changes in the group ownership structure.

Trasury shares are disposed in relation to changes in the group ownership structure.

Consolidated income statement for 2021/22

	Notes	2021/22 DKK'000	2020/21 DKK'000
Gross profit/loss		**44,438**	**36,865**
Staff costs	2	(50,978)	(39,800)
Depreciation, amortisation and impairment losses		(637)	(615)
Operating profit/loss		**(7,177)**	**(3,550)**
Income from other fixed asset investments		(500)	18,268
Other financial income		774	3
Other financial expenses		(1,830)	(1,236)
Profit/loss before tax		**(8,733)**	**13,485**
Tax on profit/loss for the year	3	2,375	1,561
Profit/loss for the year	4	**(6,358)**	**15,046**

Consolidated balance sheet at 30.09.2022

Assets

	Notes	2021/22 DKK'000	2020/21 DKK'000
Completed development projects	6	8,120	1,148
Goodwill		1,822	1,184
Development projects in progress	6	17,072	9,917
Intangible assets	5	**27,014**	**12,249**
Other fixtures and fittings, tools and equipment		188	322
Leasehold improvements		1,175	1,570
Property, plant and equipment	7	**1,363**	**1,892**
Investments in associates		0	2,500
Other investments		65,763	61,987
Deposits		1,401	1,362
Financial assets	8	**67,164**	**65,849**
Fixed assets		**95,541**	**79,990**
Trade receivables		8,199	9,306
Contract work in progress	9	2,716	1,130
Other receivables		1,866	2,843
Tax receivable		5,250	2,199
Prepayments	10	103	74
Receivables		**18,134**	**15,552**
Cash		**39,282**	**50,230**
Current assets		**57,416**	**65,782**
Assets		**152,957**	**145,772**

Equity and liabilities

	Notes	2021/22 DKK'000	2020/21 DKK'000
Contributed capital	11	1,300	1,300
Reserve for fair value adjustments of hedging instruments		(418)	(227)
Reserve for development costs		672	0
Retained earnings		87,902	94,170
Equity belonging to Parent's shareholders		**89,456**	**95,243**
Equity belonging to minority interests		**5,280**	**2,689**
Equity		**94,736**	**97,932**
Deferred tax	12	1,397	528
Other provisions	13	100	100
Provisions		**1,497**	**628**
Mortgage debt		14,768	7,000
Other payables		2,804	2,759
Deferred income		381	381
Non-current liabilities other than provisions	15	**17,953**	**10,140**
Current portion of non-current liabilities other than provisions	15	1,413	0
Prepayments received from customers		7,548	6,948
Contract work in progress	9	6,196	3,078
Trade payables		4,225	3,149
Payables to owners and management		14,020	19,404
Other payables		5,369	4,493
Current liabilities other than provisions		**38,771**	**37,072**
Liabilities other than provisions		**56,724**	**47,212**
Equity and liabilities		**152,957**	**145,772**
Events after the balance sheet date	1		
Financial instruments	17		
Unrecognised rental and lease commitments	18		
Assets charged and collateral	19		
Transactions with related parties	20		
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Consolidated statement of changes in equity for 2021/22

	Contributed capital DKK'000	Reserve for fair value adjustments of hedging instruments DKK'000	Reserve for development costs DKK'000	Retained earnings DKK'000	Equity belonging to Parent's shareholders DKK'000	Equity belonging to minority interests DKK'000	Total DKK'000
Equity beginning of year	1,300	(227)	0	94,170	95,243	2,689	97,932
Effect of mergers and business combinations	0	0	0	0	0	3,524	3,524
Purchase of treasury shares	0	0	0	(521)	(521)	0	(521)
Sale of treasury shares	0	0	0	350	350	0	350
Fair value adjustments of hedging instruments	0	(233)	0	0	(233)	0	(233)
Tax of entries on equity	0	42	0	0	42	0	42
Transfer to reserves	0	0	672	(672)	0	0	0
Profit/loss for the year	0	0	0	(5,425)	(5,425)	(933)	(6,358)
Equity end of year	**1,300**	**(418)**	**672**	**87,902**	**89,456**	**5,280**	**94,736**

Consolidated cash flow statement for 2021/22

	Notes	2021/22 DKK'000	2020/21 DKK'000
Operating profit/loss		(7,177)	(3,550)
Amortisation, depreciation and impairment losses		637	615
Working capital changes	16	516	(4,439)
Other adjustments		(194)	(322)
Cash flow from ordinary operating activities		**(6,218)**	**(7,696)**
Financial income received		774	3
Financial expenses paid		(1,830)	(1,236)
Taxes refunded/(paid)		228	186
Cash flows from operating activities		**(7,046)**	**(8,743)**
Acquisition etc. of property, plant and equipment		0	(1,643)
Acquisition of enterprises		(1,776)	(89)
Disposal of enterprises		3,750	2,000
Sale of other investments		0	31,100
Investment in development projects		(14,931)	(8,855)
Cash flows from investing activities		**(12,957)**	**22,513**
Free cash flows generated from operations and investments before financing		**(20,003)**	**13,770**
Loans raised		9,226	7,000
Repayment of debt to participating interests		0	(24,780)
Acquisition of treasury shares		(521)	0
Sale of treasury shares		350	2,300
Cash capital increase		0	3,000
Cash flows from financing activities		**9,055**	**(12,480)**

Increase/decrease in cash and cash equivalents	**(10,948)**	**1,290**
Cash and cash equivalents beginning of year	50,230	48,940
Cash and cash equivalents end of year	**39,282**	**50,230**
Cash and cash equivalents at year-end are composed of:		
Cash	39,282	50,230
Cash and cash equivalents end of year	**39,282**	**50,230**

Notes to consolidated financial statements

1 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Staff costs

	2021/22 DKK'000	**2020/21 DKK'000**
Wages and salaries	47,659	35,476
Pension costs	2,546	3,836
Other social security costs	586	397
Other staff costs	187	91
	50,978	**39,800**

Average number of full-time employees	**72**	**55**

	Remuneration of management 2021/22 DKK'000	**Remuneration of management 2020/21 DKK'000**
Executive Board	441	321
Board of Directors	2,554	2,279
	2,995	**2,600**

3 Tax on profit/loss for the year

	2021/22 DKK'000	**2020/21 DKK'000**
Current tax	(3,286)	(1,901)
Change in deferred tax	911	340
	(2,375)	**(1,561)**

4 Proposed distribution of profit/loss

	2021/22 DKK'000	**2020/21 DKK'000**
Retained earnings	(5,425)	15,826
Minority interests' share of profit/loss	(933)	(780)
	(6,358)	**15,046**

5 Intangible assets

	Completed development projects DKK'000	Goodwill DKK'000	Development projects in progress DKK'000
Cost beginning of year	40,836	1,413	9,917
Transfers	7,776	0	(7,776)
Additions	0	866	14,931
Cost end of year	**48,612**	**2,279**	**17,072**
Amortisation and impairment losses beginning of year	(39,688)	(229)	0
Amortisation for the year	(804)	(228)	0
Amortisation and impairment losses end of year	**(40,492)**	**(457)**	**0**
Carrying amount end of year	**8,120**	**1,822**	**17,072**

6 Development projects

Completed development projects

Completed development projects comprise finished projects which support the group's continued performance.

1. The ERP system IFS has been implemented and brought into usage from November 2020. The system contributes to optimizations in internal processes. Management has not identified indications for impairment of the completed development projects.

2. AI predictive platform, which are set to generate the company's current and future cash-flows. The completed development project has been completed this financial year and is expected to contribute to positive cash-flows and active customers from all of the world and different branches.

Development projects in progress

Development projects in progress comprise two projects:

1. Development of the NB-IoT technology. The product is expected to be in usage in 2023/24. Cost for the project is internal wages and external expenses.

2. Development of AI predictive platform. Development project in progres consist of feature development, which are developed to improve the existing platform. The developed products will be brought into usage in 2022/2023.

Cost for the projects is internal wages and external expenses.

The value of the recognized development projects depends on the Company's ability to continue improving the product, as well as attracting enough customers to generate positive earnings that could yield the total investment.

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	1,291	1,923
Cost end of year	**1,291**	**1,923**
Depreciation and impairment losses beginning of year	(969)	(353)
Depreciation for the year	(134)	(395)
Depreciation and impairment losses end of year	**(1,103)**	**(748)**
Carrying amount end of year	**188**	**1,175**

8 Financial assets

	Investments in associates DKK'000	Other investments DKK'000	Deposits DKK'000
Cost beginning of year	2,500	61,987	1,362
Transfers	(2,500)	2,500	0
Additions	0	1,776	39
Cost end of year	**0**	**66,263**	**1,401**
Impairment losses for the year	0	(500)	0
Impairment losses end of year	**0**	**(500)**	**0**
Carrying amount end of year	**0**	**65,763**	**1,401**

9 Contract work in progress

	2021/22 DKK'000	2020/21 DKK'000
Contract work in progress	20,906	7,243
Progress billings	(24,386)	(9,191)
Transferred to liabilities other than provisions	6,196	3,078
	2,716	**1,130**

10 Prepayments

Prepayments comprise prepaid costs for subsequential financial years.

11 Contributed capital

	Number	Par value DKK'000
A-shares	1,150,500	1.00
B-shares	149,500	1.00
	1,300,000	

12 Deferred tax

Changes during the year	2021/22 DKK'000	2020/21 DKK'000
Beginning of year	528	278
Recognised in the income statement	911	324
Recognised directly in equity	(42)	(74)
End of year	**1,397**	**528**

Deferred tax relates to intangible assets, property, plant and equipment, other provisions and tax losses carried forward.

13 Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments.

14 Deferred income

Deferred income relates to a long-term loan from the Danish Maritime Fund.
Repayment of the loan depends on CleanQuote A/S's financial profit.

15 Non-current liabilities other than provisions

	Due within 12 months 2021/22 DKK'000	Due after more than 12 months 2021/22 DKK'000	Outstanding after 5 years 2021/22 DKK'000
Mortgage debt	0	14,768	1,622
Other payables	1,413	2,804	1,815
Deferred income	0	381	0
	1,413	**17,953**	**3,437**

16 Changes in working capital

	2021/22 DKK'000	2020/21 DKK'000
Increase/decrease in receivables	359	(8,731)
Increase/decrease in trade payables etc.	157	4,292
	516	**(4,439)**

17 Derivative financial instruments

At the balance sheet date, the Company has signed 3 forward contracts with its banker for the sale of CAD and 4 for the sale of USD. The forward contract has been concluded to hedge the current payments on sales contracts signed. At 30 September 2022, the total hedge amounts to CAD 357K (DKK 1.789k) will expire on latest 30 March 2023. The total hedge amount amounts to USD 208k (DKK 1.273k) will expire on latest 13 January 2023. At the balance sheet date, under other payables, there is an unrealised exchange loss of DKK 498k.
The fair value adjustment is recognized in equity.
The banks value has been used as measurement.

18 Unrecognised rental and lease commitments

	2021/22 DKK'000	2020/21 DKK'000
Total liabilities under rental or lease agreements until maturity	**6,975**	**8,412**

19 Assets charged and collateral

Shares in GateHouse Maritime A/S are provided as collateral for debt in GateHouse Maritime A/S towards Vækstfonden. The shares have a value of 13,602 DKK'000 on 30.09.2022 and the debt amounts to 15,250 DKK'000.

Shares in CleanQuote A/S are provided as collateral for debt in CleanQuote A/S towards Vækstfonden. The shares have a value of 3,417 DKK'000 on 30.09.2022 and the debt amounts to 532 DKK'000.

20 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

21 Subsidiaries

	Registered in	Ownership %
GateHouse Igniter A/S	Aalborg	100.00
GateHouse Group A/S	Aalborg	100.00
GateHouse Maritime A/S	Aalborg	85.05
GateHouse SatCom A/S	Aalborg	91.25
GateHouse USA Corp.	Delaware, USA	100.00
CleanQuote A/S	Aalborg	65.38

Parent income statement for 2021/22

	Notes	2021/22 DKK'000	2020/21 DKK'000
Gross profit/loss		**(497)**	**(443)**
Income from investments in group enterprises		(5,003)	(137)
Income from other fixed asset investments		0	18,268
Other financial income	2	38	33
Other financial expenses	3	(877)	(978)
Profit/loss before tax		**(6,339)**	**16,743**
Tax on profit/loss for the year		11	344
Profit/loss for the year	4	**(6,328)**	**17,087**

Parent balance sheet at 30.09.2022

Assets

	Notes	2021/22 DKK'000	2020/21 DKK'000
Investments in group enterprises		29,385	34,230
Investments in associates		0	2,500
Other investments		63,480	61,987
Financial assets	5	**92,865**	**98,717**
Fixed assets		**92,865**	**98,717**
Receivables from group enterprises		15,169	1,966
Deferred tax	6	290	285
Other receivables		281	98
Tax receivable		5,250	0
Joint taxation contribution receivable		396	618
Receivables		**21,386**	**2,967**
Cash		**7,813**	**29,733**
Current assets		**29,199**	**32,700**
Assets		**122,064**	**131,417**

Equity and liabilities

	Notes	2021/22 DKK'000	2020/21 DKK'000
Contributed capital		1,300	1,300
Reserve for net revaluation according to equity method		0	21,184
Retained earnings		89,298	73,770
Equity		**90,598**	**96,254**
Joint taxation contribution payable		5,250	0
Non-current liabilities other than provisions	7	**5,250**	**0**
Trade payables		148	19
Payables to group enterprises		12,048	15,740
Payables to owners and management		14,020	19,404
Current liabilities other than provisions		**26,216**	**35,163**
Liabilities other than provisions		**31,466**	**35,163**
Equity and liabilities		**122,064**	**131,417**
Events after the balance sheet date	1		
Employees	8		
Contingent liabilities	9		
Related parties with controlling interest	10		
Transactions with related parties	11		

Parent statement of changes in equity for 2021/22

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,300	21,184	73,770	96,254
Purchase of treasury shares	0	0	(521)	(521)
Sale of treasury shares	0	0	350	350
Other entries on equity	0	843	0	843
Transfer to reserves	0	(22,027)	22,027	0
Profit/loss for the year	0	0	(6,328)	(6,328)
Equity end of year	**1,300**	**0**	**89,298**	**90,598**

Notes to parent financial statements

1 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Other financial income

	2021/22 DKK'000	2020/21 DKK'000
Financial income from group enterprises	33	30
Other interest income	5	3
	38	**33**

3 Other financial expenses

	2021/22 DKK'000	2020/21 DKK'000
Financial expenses from group enterprises	71	95
Other interest expenses	806	881
Exchange rate adjustments	0	2
	877	**978**

4 Proposed distribution of profit and loss

	2021/22 DKK'000	2020/21 DKK'000
Retained earnings	(6,328)	17,087
	(6,328)	**17,087**

5 Financial assets

	Investments in group enterprises DKK'000	Investments in associates DKK'000	Other investments DKK'000
Cost beginning of year	13,048	2,500	61,987
Additions	31,506	0	1,493
Disposals	(13,048)	(2,500)	0
Cost end of year	**31,506**	**0**	**63,480**
Revaluations beginning of year	21,182	0	0
Adjustments on equity	843	0	0
Share of profit/loss for the year	(2,964)	0	0
Reversal regarding disposals	(21,182)	0	0
Revaluations end of year	**(2,121)**	**0**	**0**
Carrying amount end of year	**29,385**	**0**	**63,480**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

6 Deferred tax

Changes during the year	2021/22 DKK'000	2020/21 DKK'000
Beginning of year	285	72
Recognised in the income statement	5	213
End of year	**290**	**285**

Deferred tax relates to tax losses carried forward.

Deferred tax assets
Deferred tax is recognized based on the expected usage for 3-5 years

7 Non-current liabilities other than provisions

	Due after more than 12 months 2021/22 DKK'000
Joint taxation contribution payable	5,250
	5,250

Joint taxation is due in November 2022.

8 Employees

The Entity has no employees other than the Executive Board. The Executive Officer has not received any remuneration.

9 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

10 Related parties with controlling interest

No party have a controlling interest in the entity.

11 Non-arm's length related party transactions

The entity have established the Company GateHouse Group A/S thorugh a capital increase of 31,506k.
A capital increase to GateHouse Igniter A/S of 6,233k has been made.

Other than the above mentioned transactions, no such transactions were conducted during the financial year.

Accounting policies

Reporting class
This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

Recognition and measurement
Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements
The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation
The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised in intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually. Negative balances (negative goodwill) are recognised as income in the income statement.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised in other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in the reserve for fair value adjustments of hedging instruments in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Public grants

Public grants are recognised when a final commitment has been received from the grantor and it is probable that the conditions of the grant will be fulfilled. Grants are recognised as income in the income statement as earned. Grants awarded for acquisition of assets are recognised as deferred income in the balance sheet, which is taken to income on a straight-line basis over the useful life of the asset.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, own work capitalised, other operating income and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for intangible assets.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Income from other fixed asset investments

Income from other fixed asset investments comprises gains in the form of sale of shares on fixed asset investments which are not investments in group enterprises or associates.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity. Current tax for the year consists of Danish tax credit.

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill
Goodwill is the positive difference between cost and fair value of assets and liabilities arising fromacquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, useful life has been determined based on an assessment of whether the enterprisesare strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot beseparated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periodsused are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.
Intangible assets comprise development projects completed and in progress.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 3-10 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and #indirect costs of materials, components, subsuppliers and labour costs.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life Years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Goodwill is the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising fromacquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amounts of goodwill, useful life has been determined based on an assessment of whether the enterprisesare strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot beseparated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periodsused are 10 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Investments in associates
Investments in associates are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Investments in associates fall within the definitions of both participating interests and associates, yet in these consolidated financial statements they have been presented as investments in associates because this designation reflects more accurately the Group's involvement in the relevant entities.

Other investments
Other investments comprise unlisted equity investments measured at the lower of cost and net realisable value.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Contract work in progress
Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a contract in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet in receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Joint taxation contributions payable or receivable
Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Treasury shares
Acquisition and selling prices and dividends of treasury shares are classified directly as equity in retained earnings. Gains and losses from sale are not recognised in the income statement.

Minority interests
On initial recognition, minority interests are measured at the minority interests' share of the acquiree's net assets measured at fair value. No goodwill related to the minority interests' equity interests in the acquiree is recognised.

Other provisions
Other provisions comprise anticipated costs of non-recourse guarantee commitments.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Mortgage debt
At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Operating leases
Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers
Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Joint taxation contributions payable or receivable
Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Deferred income
Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement
The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.