



GFK Danmark A/S

Kay Fiskers Plads 9, 6.
2300 København S
CVR No. 13639582

Annual report 2019

The Annual General Meeting adopted the
annual report on 29.04.2020

Philip Graham Offord

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2019	8
Balance sheet at 31.12.2019	9
Statement of changes in equity for 2019	11
Notes	12
Accounting policies	15

Entity details

Entity

GFK Danmark A/S
Kay Fiskers Plads 9, 6.
2300 København S

CVR No.: 13639582
Registered office: København
Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Philip Graham Offord, Chairman
Anis Panduro Zouzou
Bonnie Ellen Jones
Anne Charlotte Hessel

Executive Board

Anis Panduro Zouzou, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P. O. Box 1600
0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of GFK Danmark A/S for the financial year 01.01.2019 - 31.12.2019.

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 Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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.

København, 29.04.2020

Executive Board

Anis Panduro Zouzou
CEO

Board of Directors

Philip Graham Offord
Chairman

Anis Panduro Zouzou

Bonnie Ellen Jones

Anne Charlotte Hessel

Independent auditor's report

To the shareholders of GfK Danmark A/S

Opinion

We have audited the financial statements of GfK Danmark A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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 financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw your attention to note 1 "Going concern". The Company is part of a joint bank arrangement covering the GfK Group. In the note, Management states that if the GfK Group is non-compliant with the financial covenants, this is a possible risk with regard to the GfK Group's and GfK Denmark A/S' ability to continue as a going concern.

If the GfK Group does not comply with the financial covenants, the Executive Directors estimate it to be likely that further measures to secure external financing and ensure sufficient liquidity will be successful.

If these measures will not be successful, the GfK Group's and GfK Denmark A/S' ability to continue as a going concern is at risk. Consequently, as a mere precautionary measure, we are reporting the following:

The events and circumstances described in note 1 indicate a material uncertainty that may cast significant doubt on the GfK Group's and GfK Denmark A/S' ability to continue as a going concern. This constitutes a risk with regard to the GfK Group's and GfK Denmark A/S' ability to continue as a going concern.

The Executive Directors estimate that it is more likely than not that GfK Denmark A/S will be able to continue as a going concern. Our opinion have not been modified in respect of this matter.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines

is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 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.

København, 29.04.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Stine Eva Grothen

State Authorised Public Accountant
Identification No (MNE) mne29431

Anne Elmelund Sørensen

State Authorised Public Accountant
Identification No (MNE) mne34115

Management commentary

Primary activities

GfK Danmark A/S conducts market analysis based on a consumer panel in order to advise grocery stores and manufacturers on the purchasing behaviour, habits of the Danes. In addition, GfK Danmark A/S measures sales development and trends in the consumer electronic and durable industry among the leading manufacturers and retailers via an advanced retail tracking panel based on Point of Sales (POS) data.

Development in activities and finances

The company's income statement for 2019 shows a result of DKK -1.506.826, and the company's equity at 31.12.2019 DKK -1.457.689 (2018: DKK 49.137).

The Main reason for the negative result in 2019 is an one-off cost for DKK -1.935.920,12 due to 100% impairment of goodwill related to the Norwegian entity, which was closed down in 2019.

Management expects earnings in 2020:

As of 1.1.2020 a major part of the Swedish business has moved to the Danish legal entity, which we expect will have a significant positive impact on activity and profit.

Knowledge resources:

As GfK Danmark A/S' services are based on the Group's focus on providing knowledge-based insights, GfK Danmark A/S has a strong focus on attracting, retaining and developing the company's employees and documenting and developing the company's statistical methods.

Outlook

The Company has lost its equity and falls within the provisions of the Danish Companies Act governing loss of capital. Management expects that the Company will be able to re-establish its share capital in the long term through future earnings. The first quarter of 2020 follows the budget and shows a profit. Management expects a profit for the rest of 2020 as well.

Events after the balance sheet date

The Company is part of a joint bank arrangement (cash pooling arrangement) covering the GfK Group. The COVID -19 pandemic makes it difficult to accurately forecast future development. Consequently, the Executive Directors of the GfK Group cannot confirm it to be certain that the GfK Group will be able to comply with the financial covenants during 2020, and this may affect the GfK Denmark A/S' ability as a going concern. If the GfK Group does not comply with the financial covenants, the Executive Directors of the GfK Group estimate it to be likely that further measures to secure external financing and ensure sufficient liquidity will be successful. If these measures will not be successful, the GfK Group's and GfK Denmark A/S' ability to continue as a going concern is at risk. The Executive Directors of the GfK Group estimate that it is more likely than not that the Group will be able to continue as a going concern.

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

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		22,734,409	19,541,475
Staff costs	3	(22,521,775)	(16,126,892)
Depreciation, amortisation and impairment losses	4	(2,026,940)	(56,659)
Operating profit/loss		(1,814,306)	3,357,924
Other financial income from group enterprises		1,493	0
Other financial income	5	40,816	32,763
Other financial expenses	6	(160,129)	(116,632)
Profit/loss before tax		(1,932,126)	3,274,055
Tax on profit/loss for the year	7	425,300	(729,661)
Profit/loss for the year		(1,506,826)	2,544,394
Proposed distribution of profit and loss			
Retained earnings		(1,506,826)	2,544,394
Proposed distribution of profit and loss		(1,506,826)	2,544,394

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Acquired intangible assets		0	0
Goodwill		0	1,935,920
Intangible assets	8	0	1,935,920
Other fixtures and fittings, tools and equipment		124,073	180,631
Leasehold improvements		385,336	0
Property, plant and equipment	9	509,409	180,631
Deposits		1,234,016	433,016
Other financial assets	10	1,234,016	433,016
Fixed assets		1,743,425	2,549,567
Trade receivables		7,848,049	3,762,348
Contract work in progress	11	1,064,796	201,182
Receivables from group enterprises		2,195,551	2,479,637
Deferred tax		1,689,569	1,264,778
Income tax receivable		334,000	0
Prepayments		846,689	554,860
Receivables		13,978,654	8,262,805
Cash		1,991,506	3,225,375
Current assets		15,970,160	11,488,180
Assets		17,713,585	14,037,747

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		1,100,000	1,100,000
Retained earnings		(2,557,689)	(1,050,863)
Equity		(1,457,689)	49,137
Other payables		898,745	0
Non-current liabilities other than provisions	12	898,745	0
Current portion of non-current liabilities other than provisions	12	24,320	0
Trade payables		2,575,255	2,429,895
Payables to group enterprises		5,003,661	911,776
Income tax payable		0	603,529
Other payables	13	8,451,659	7,104,034
Deferred income		2,217,634	2,939,376
Current liabilities other than provisions		18,272,529	13,988,610
Liabilities other than provisions		19,171,274	13,988,610
Equity and liabilities		17,713,585	14,037,747
Going concern	1		
Events after the balance sheet date	2		
Unrecognised rental and lease commitments	14		

Statement of changes in equity for 2019

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,100,000	(1,050,863)	49,137
Profit/loss for the year	0	(1,506,826)	(1,506,826)
Equity end of year	1,100,000	(2,557,689)	(1,457,689)

Notes

1 Going concern

The Company has lost its equity and falls within the provisions of the Danish Companies Act governing loss of capital. Management expects that the Company will be able to re-establish its share capital in the long term through future earnings. The first quarter of 2020 follows the budget and shows a profit. Management expects a profit for the rest of 2020 as well.

2 Events after the balance sheet date

The Company is part of a joint bank arrangement (cash pooling arrangement) covering the GfK Group. The COVID-19 pandemic makes it difficult to accurately forecast future development. Consequently, the Executive Directors of the GfK Group cannot confirm it to be certain that the GfK Group will be able to comply with the financial covenants during 2020, and this may affect the GfK Denmark A/S' ability as a going concern. If the GfK Group does not comply with the financial covenants, the Executive Directors of the GfK Group estimate it to be likely that further measures to secure external financing and ensure sufficient liquidity will be successful. If these measures will not be successful, the GfK Group's and GfK Denmark A/S' ability to continue as a going concern is at risk. The Executive Directors of the GfK Group estimate that it is more likely than not that the Group will be able to continue as a going concern.

3 Staff costs

	2019 DKK	2018 DKK
Wages and salaries	21,799,154	15,569,251
Pension costs	482,244	396,687
Other social security costs	240,377	160,954
	22,521,775	16,126,892
Average number of full-time employees	34	25

4 Depreciation, amortisation and impairment losses

	2019 DKK	2018 DKK
Amortisation of intangible assets	322,653	0
Impairment losses on intangible assets	1,613,267	0
Depreciation of property, plant and equipment	91,020	56,659
	2,026,940	56,659

5 Other financial income

	2019 DKK	2018 DKK
Exchange rate adjustments	40,816	32,763
	40,816	32,763

6 Other financial expenses

	2019 DKK	2018 DKK
Other interest expenses	86,223	58,461
Exchange rate adjustments	48,863	40,320
Other financial expenses	25,043	17,851
	160,129	116,632

7 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	0	744,522
Change in deferred tax	(424,792)	(14,861)
Adjustment concerning previous years	(508)	0
	(425,300)	729,661

8 Intangible assets

	Acquired intangible assets DKK	Goodwill DKK
Cost beginning of year	465,347	1,935,920
Cost end of year	465,347	1,935,920
Amortisation and impairment losses beginning of year	(465,347)	0
Impairment losses for the year	0	(1,613,267)
Amortisation for the year	0	(322,653)
Amortisation and impairment losses end of year	(465,347)	(1,935,920)
Carrying amount end of year	0	0

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	2,529,076	0
Additions	91,595	385,336
Cost end of year	2,620,671	385,336
Depreciation and impairment losses beginning of year	(2,348,445)	0
Depreciation for the year	(148,153)	0
Depreciation and impairment losses end of year	(2,496,598)	0
Carrying amount end of year	124,073	385,336
Recognised assets not owned by entity	23,806	0

10 Financial assets

	Deposits DKK
Cost beginning of year	433,016
Additions	801,000
Cost end of year	1,234,016
Carrying amount end of year	1,234,016

11 Contract work in progress

	2019 DKK	2018 DKK
Contract work in progress	1,064,796	201,182
	1,064,796	201,182

12 Non-current liabilities other than provisions

	Due within 12 months 2019 DKK	Due after more than 12 months 2019 DKK
Finance lease liabilities	24,320	0
Other payables	0	898,745
	24,320	898,745

13 Other payables

	2019 DKK	2018 DKK
VAT and duties	1,409,295	1,102,980
Wages and salaries, personal income taxes, social security costs, etc payable	2,722,457	1,449,611
Holiday pay obligation	2,211,907	2,317,487
Other costs payable	2,108,000	2,233,956
	8,451,659	7,104,034

14 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	8,980,940	4,176,800

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

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.

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. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

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.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

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 salaries and wages, 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.

Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc on receivables from group enterprises.

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.

Balance sheet**Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful lives are reassessed annually. The amortisation periods used are 3 years.

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

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

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

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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.

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:

Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	3-5 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.

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 project 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 under 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.

Income 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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Finance lease liabilities

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Other financial liabilities

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

Deferred income

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