



Grant Thornton

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Boston Nordic Group A/S

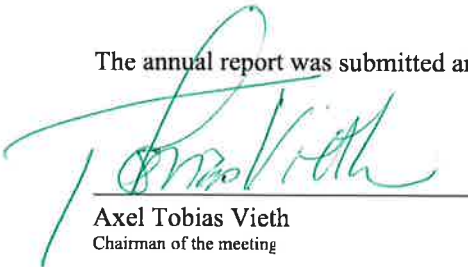
Lucernemarken 9, 3520 Farum

Company reg. no. 13 90 72 77

Annual report

1 July 2021 - 30 June 2022

The annual report was submitted and approved by the general meeting on the 29 December 2022.



Axel Tobias Vieth
Chairman of the meeting

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146,940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Boston Nordic Group A/S for the financial year 1 July 2021 - 30 June 2022.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 June 2022, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 July 2021 – 30 June 2022.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.


We recommend that the annual report be approved at the Annual General Meeting.

Farum, 21 December 2022


Managing Director


Christian Banzhaf
CEO

Board of directors


Axel Tobias Vieth
Chairman of the board


Christian Banzhaf
Member of the board


Jan Brus Albæk
Member of the board

Independent auditor's report

To the Shareholders of Boston Nordic Group A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Boston Nordic Group A/S for the financial year 1 July 2021 to 30 June 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group the Parent Company, as well as consolidated statement of cash flows. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 June 2022, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 July 2021 - 30 June 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 the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our 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 Company Financial Statements

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

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

Independent auditor's report

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent company 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 company financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent company 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent company 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

- 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 Management's Review

Management is responsible for Management's Review.

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

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

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

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 21 December 2022

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36



Michael Beuchert

State Authorised Public Accountant
mne32794



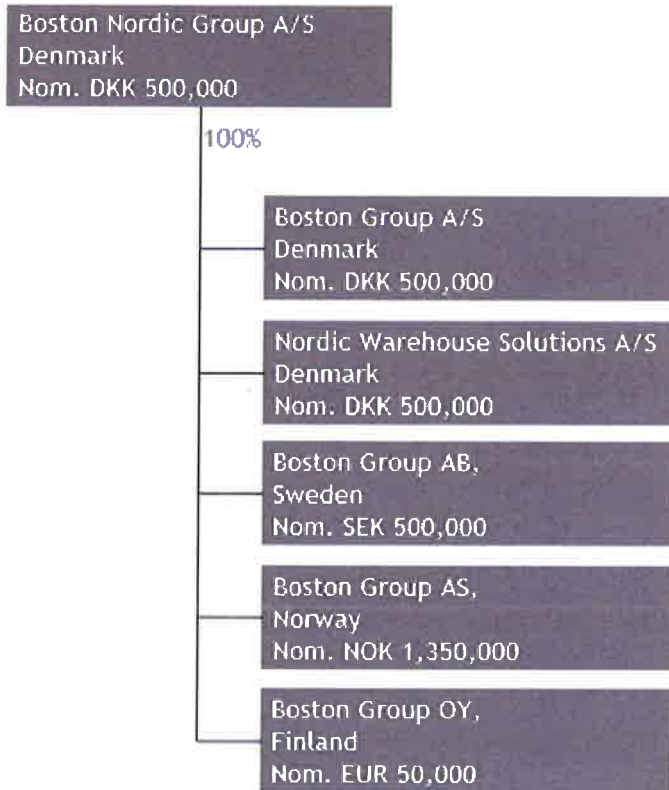
Jan Nielsen

State Authorised Public Accountant
mne9567

Company information

The company	Boston Nordic Group A/S Lucernemarken 9 3520 Farum Company reg. no. 13 90 72 77 Domicile: Farum Financial year: 1 July 2021 - 30 June 2022
Board of directors	Axel Tobias Vieth, Chairman of the board Christian Banzhaf, Member of the board Jan Brus Albæk, Member of the board
Managing Director	Christian Banzhaf, CEO
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmegade 45 2100 København Ø
Parent company	C. Banzhaf Holding ApS
Subsidiaries	Boston Group A/S, Farum, Denmark Boston Group AB, Göteborg, Sweden Boston Group AS, Kristiansand, Norway Boston Group OY, Kaarina, Finland Nordic Warehouse Solutions A/S, Farum, Denmark

Group overview



Consolidated financial highlights

DKK in thousands	2021/22	2020/21	2019/20	2018/19	2017/18
Income statement:					
Revenue	598.440	525.562	382.780	315.668	290.822
Gross profit	85.136	73.100	37.994	29.704	25.263
Profit from operating activities	67.536	59.687	27.651	21.051	17.264
Net financials	-629	-1.465	-205	-408	-1.254
Net profit or loss for the year	52.513	45.564	21.446	16.015	12.338
Statement of financial position:					
Balance sheet total	229.496	173.355	138.897	110.140	103.956
Investments in property, plant and equipment	72	-232	0	-919	0
Equity	102.617	80.291	56.809	51.475	47.740
Cash flows:					
Operating activities	17.296	34.217	14.252	8.860	5.426
Investing activities	-45	-232	104	-4.174	-35
Financing activities	-30.000	-22.000	-16.000	-12.000	-2.000
Total cash flows	-12.748	11.984	-1.644	-7.314	3.391
Employees:					
Average number of full-time employees	25	22	19	16	17
Key figures in %:					
Gross margin ratio	14,2	13,9	9,9	9,4	8,7
Profit margin (EBIT-margin)	11,3	11,4	7,2	6,7	5,9
Solvency ratio	44,7	46,1	40,9	46,7	45,9

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Gross margin ratio

$$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

Profit margin (EBIT margin)

$$\frac{\text{Operating profit or loss (EBIT)} \times 100}{\text{Revenue}}$$

Solvency ratio

$$\frac{\text{Equity less non-controlling interests, closing balance} \times 100}{\text{Total assets, closing balance}}$$

Management's review

The principal activities of the group

Like previous years, the activities of the group and of Boston Nordic Group A/S are trading in consumer electronic, drones and robots etc. Boston Nordic Group A/S' activities comprise holding company activities.

Development in activities and financial matters

The revenue for the year totals DKK 598.440.387 against DKK 525.561.713 last year. Income or loss from ordinary activities after tax totals DKK 53.274.000 against DKK 45.564.000 last year. The consolidated result for the year 2021/22 has lived up to the expectations that were set. The Nordic subsidiaries have reached the expectations for the year. During the financial year, there was a continued focus on optimizing both costs and product range.

Management considers the net profit or loss for the year satisfactory.

Management is still working with focus on optimising both costs and product range. Several interesting new producers have been added. The development of and focus on the business within professional and commercial drones has, as expected, grown a lot and is expected to contribute to a further growth in the result for the coming year

New products

Several interesting new producers have been added. The development of and focus on the business within professional and commercial drones has, as expected, grown a lot and is expected to contribute to a further growth in the result for the coming year.

Investments

Group management does not expect any major investments in the coming financial year.

Financial resources

Group management expects that this year's credit facilities for the group will not be expanded. The budgeted cash flow for 2022/23 can be met on the basis of the current agreements in place

Expected developments

Management expects continued revenue growth as a result of continued marketing and product range optimization. In addition, management expects an increase in profit for the coming year.

Know how resources

It is essential that the group is capable of attracting and retaining competent and motivated employees. The company has in depth knowledge of its products and sales and marketing resources in the Nordics.

Events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the the group's financial position.

Corporate social responsibility report pursuant to section 99 a of the Danish Financial Statements Act

Business model and engagement

Management's review

Boston Nordic Group A/S is the largest distributor of drones for commercial and private use. Drones from DJI and Parrot are a key part of our product range, which also include a range of international Consumer electronics brands and products in the categories Gaming, Headsets, Robot Vacuum Cleaners, Massage guns, Cameras, Power Stations and Gimbals.

We cooperate with our partners and resellers in the Nordics to distribute the products, and with our logistical expertise deliver the products on a day-to-day basis.

On the commercial side, we offer with our partners, drone solutions to Government institutions and companies, large and small. In addition to the drones this includes accessories and software covering specific needs to functionality and related advice and service as a full service.

As a company we are a value creating partner, who are experts within our field, We contribute with great industry specific knowledge and experience, as well as an impressive local market knowledge and network. Boston Nordic Group deliver both products, experience, network and know-how.

Environmental issues – including climate change

Policies

Boston Nordic Group does not have a written policy on Environmental and climate conditions due to its limited size and generally little impact on these matters, However, Boston Nordic Group considers it important to be able to contribute to an environmentally friendly society by ensuring that production etc. pollutes the environment as little as possible. As the company does not manufacture their products, they strive to commit their suppliers in these matters. The group have risks on negative impact on Environmental and Climate conditions in relation to transport and waste management.

Social issues and employee issues

Policies

Boston Group does not have a written policy for social relations and employee relations due to its limited number of staff, however values safety and health very highly and will constantly improve and secure the workplace and ensure that employees receive the necessary training and instruction, in order to safely perform their work. The Group does not have any special risks of negative impact on social and employee relations.

Human rights

Policies

Boston Nordic Group does not have a written policy on human rights since the group only operates in the Nordics where these are generally universally accepted and promoted by legislation. Boston Nordic Group follows at all times the applicable local rules and employee conventions in the countries where the company is operating, which is primarily in the Nordics.

Boston Group supports the protection of internationally declared human rights.

The group does not have any special risks of negative impact in relation to Human rights.

Management's review

Fighting corruption and bribery

Policies

Boston Nordic Group does not have a written policy, since the group only works in the Nordics, however works against all forms of corruption, including extortion and bribery.

The group support existing legislation in the area that the employees are located.

The group does not have any special risks of negative impact in relation to Anti- corruption.

Report on gender composition in management according to section 99 b of the Danish Financial Statements Act

Boston Nordic Group respects human rights within its sphere of influence and tries to drive business in a way that makes the company an attractive employer.

In general, employees must experience an open and open-minded culture where the individual can use his skills as best as possible, regardless of gender, age and ethnic background. Both women and men have the same opportunities for careers and leadership positions.

Boston Group's overall policy is to hire or promote the most suitable individuals regardless of gender.

The company promotes diversity and cultures within its groups of employees.

The board consists of three members, all of whom are men. The group strives to get at least 1 woman on the board.

The company is a privately held and has approximately 25 employees currently. It has not been possible to reach the target figure this year, as there has not been newly elected to the board in the financial year.

Report on the company's policy on data ethics according to section 99 d of the Danish Financial Statements Act

Boston Nordic Group does not process data or use algorithms for data analysis, or that this is not an integral part of the company's business strategy and business activities. Therefore the company has not drawn up a formal policy on data ethics.

Income statement 1 July - 30 June

All amounts in DKK.

Note	Group		Parent		
	2021/22	2020/21	2021/22	2020/21	
1	Revenue	598.440.387	525.561.713	15.548.235	14.111.285
	Other operating income	186.326	100.340	0	10.000
	Costs of raw materials and consumables	-497.835.696	-443.055.444	0	0
	Other external expenses	-15.655.074	-9.506.678	-97.101	-96.640
	Gross profit	85.135.943	73.099.931	15.451.134	14.024.645
3	Staff costs	-16.778.174	-12.547.696	0	0
4	Depreciation, amortisation, and impairment	-822.129	-865.525	0	0
	Operating profit	67.535.640	59.686.710	15.451.134	14.024.645
5	Income from investments in subsidiaries	0	0	38.186.470	32.912.076
	Other financial income from subsidiaries	0	0	3.073.999	1.475.471
	Other financial income	88.901	362.204	82.943	343.849
6	Other financial expenses	-717.772	-1.827.318	-248.449	-61.682
	Pre-tax net profit or loss	66.906.769	58.221.596	56.546.097	48.694.359
7	Tax on net profit or loss for the year	-14.393.409	-12.657.711	-4.032.737	-3.469.927
8	Net profit or loss for the year	52.513.360	45.563.885	52.513.360	45.224.432
	Break-down of the consolidated profit or loss:				
	Shareholders in Boston Nordic Group A/S	52.513.360	45.224.434		
	Non-controlling interests	0	339.451		
		52.513.360	45.563.885		

Balance sheet at 30 June

All amounts in DKK.

Assets		Group		Parent	
		2022	2021	2022	2021
Note					
Non-current assets					
9	Goodwill	1.271.830	1.904.277	0	0
	Total intangible assets	1.271.830	1.904.277	0	0
10	Other fixtures and fittings, tools and equipment	344.763	634.451	0	0
	Total property, plant, and equipment	344.763	634.451	0	0
11	Investments in subsidiaries	0	0	60.593.931	41.860.204
12	Deposits	416.073	407.993	0	0
	Total investments	416.073	407.993	60.593.931	41.860.204
	Total non-current assets	2.032.666	2.946.721	60.593.931	41.860.204
Current assets					
	Goods for resale	116.212.621	75.784.564	0	0
	Prepayments for goods	6.309.353	0	0	0
	Total inventories	122.521.974	75.784.564	0	0
	Trade receivables	90.566.860	65.913.707	0	0
	Receivables from subsidiaries	0	0	47.067.923	21.607.437
	Receivables from participating interest	145.404	0	0	0
13	Deferred tax assets	0	0	19.381	25.841
	Income tax receivables	0	1.312	0	1.312
	Tax receivables from subsidiaries	0	145.404	3.617.284	4.608.607
	Other receivables	2.187.926	2.576.230	0	948.142
14	Prepayments	274.718	1.472.167	0	0
	Total receivables	93.174.908	70.108.820	50.704.588	27.191.339
	Cash and cash equivalents	11.766.854	24.515.070	243.437	18.435.803
	Total current assets	227.463.736	170.408.454	50.948.025	45.627.142
	Total assets	229.496.402	173.355.175	111.541.956	87.487.346

Balance sheet at 30 June

All amounts in DKK.

Note	Group		Parent		
	2022	2021	2022	2021	
Equity and liabilities					
Equity					
15	Contributed capital	500.000	500.000	500.000	500.000
	Reserve for net revaluation according to the equity method	0	0	49.523.068	30.938.322
	Retained earnings	102.117.268	63.399.618	52.594.200	48.404.541
	Proposed dividend for the financial year	0	15.943.948	0	0
	Equity before non-controlling interest.	102.617.268	79.843.566	102.617.268	79.842.863
	Non-controlling interests	0	447.364	0	0
	Total equity	102.617.268	80.290.930	102.617.268	79.842.863
Provisions					
16	Provisions for deferred tax	144.936	156.384	0	0
17	Other provisions	4.667.234	9.086.213	0	0
	Total provisions	4.812.170	9.242.597	0	0

Balance sheet at 30 June

All amounts in DKK.

Note	Group		Parent		
	2022	2021	2022	2021	
Equity and liabilities					
Liabilities other than provisions					
	Bank loans	19.239.528	11.397.184	0	0
18	Trade payables	57.603.894	44.098.965	72.500	72.500
	Payables to subsidiaries	0	0	1.574	0
19	Income tax payable	11.578.811	10.556.138	6.623.540	7.570.346
20	Income tax payable to subsidiaries	267.751	0	269.776	1.574
	Other payables	32.912.414	17.406.807	1.957.298	63
21	Deferred income	464.566	362.554	0	0
	Total short term liabilities other than provisions	<u>122.066.964</u>	<u>83.821.648</u>	<u>8.924.688</u>	<u>7.644.483</u>
	Total liabilities other than provisions	<u>122.066.964</u>	<u>83.821.648</u>	<u>8.924.688</u>	<u>7.644.483</u>
	Total equity and liabilities	<u>229.496.402</u>	<u>173.355.175</u>	<u>111.541.956</u>	<u>87.487.346</u>

2 Fees, auditor**22 Charges and security****23 Contingencies****24 Related parties**

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Non-controlling interests	Total
Equity 1 2021	500.000	63.399.618	15.943.948	447.364	80.290.930
Distributed dividend	0	0	-15.943.948	0	-15.943.948
Retained earnings for the year	0	38.270.286	0	0	38.270.286
Extraordinary dividend adopted during the financial year	0	30.000.000	0	0	30.000.000
Distributed extraordinary dividend adopted during the financial year	0	-30.000.000	0	0	-30.000.000
Buy-back of shares	0	447.364	0	-447.364	0
	500.000	102.117.268	0	0	102.617.268

Statement of changes in equity of the parent

All amounts in DKK.

	Contributed capital	Reserve for net revalua-tion according to the eq-uity method	Retained earnings	Total
Equity 1 July 2021	500.000	30.938.322	48.404.542	79.842.864
Share of profit or loss	0	38.186.470	-15.673.110	22.513.360
Extraordinary dividend adopted during the financial year	0	0	30.000.000	30.000.000
Distributed extraordinary dividend adopted during the financial year	0	0	-30.000.000	-30.000.000
Foreign currency translation adjustments	0	261.044	0	261.044
Distributed dividend	0	-31.862.768	31.862.768	0
Group contribution	0	12.000.000	0	12.000.000
Group contribution	0	0	-12.000.000	-12.000.000
	500.000	49.523.068	52.594.200	102.617.268

Statement of cash flows 1 July - 30 June

All amounts in DKK.

<u>Note</u>	Group	
	<u>2021/22</u>	<u>2020/21</u>
Net profit or loss for the year	52.513.360	45.563.885
25 Adjustments	11.374.696	13.823.861
26 Change in working capital	-45.962.874	-23.705.857
Cash flows from operating activities before net financials	17.925.182	35.681.889
Interest received, etc.	88.901	362.204
Interest paid, etc.	-717.772	-1.827.318
Cash flows from ordinary activities	0	0
Cash flows from operating activities	17.296.311	34.216.773
Purchase of property, plant, and equipment	-72.285	-232.476
Sale of property, plant, and equipment	184.818	7.840
Purchase of fixed asset investments	-157.060	-7.824
Cash flows from investment activities	-44.527	-232.460
Dividend paid	-30.000.000	-22.000.000
Cash flows from investment activities	-30.000.000	-22.000.000
Change in cash and cash equivalents	-12.748.216	11.984.313
Cash and cash equivalents at 1 July 2021	24.515.070	12.530.757
Cash and cash equivalents at 30 June 2022	11.766.854	24.515.070
Cash and cash equivalents		
Cash and cash equivalents	11.766.854	24.515.070
Cash and cash equivalents at 30 June 2022	11.766.854	24.515.070

Notes

All amounts in DKK.

	Group		Parent	
	2021/22	2020/21	2021/22	2020/21
1. Revenue				
Revenue, 3rd parties	598.440.387	525.561.713	0	0
Intercompany revenue	0	0	15.548.235	14.111.285
	598.440.387	525.561.713	15.548.235	14.111.285

Segmental statement

Geographical – secondary segment:

	Finland	Sweden	Norway	Denmark	Total
Group (TDKK)	144.569	164.575	150.578	138.718	598.440
					Total
Parent (TDKK)				15.548	15.548

2. Fees, auditorTotal remuneration for Grant
Thornton and Thorvald Rein,
State Authorised Public

Accountants	280.500	198.500	95.000	58.000
Remuneration related to statutory audit	188.500	134.500	64.000	45.500
Tax-related consulting	6.000	34.200	0	0
Other services	86.000	29.800	31.000	12.500
	280.500	198.500	95.000	58.000

Total remuneration for Other
State Authorised Public

Accountants	133.942	103.813	0	0
Remuneration related to statutory audit	84.693	78.313	0	0
Tax-related consulting	6.652	2.216	0	0
Other services	42.597	23.284	0	0
	133.942	103.813	0	0

Notes

All amounts in DKK.

3. Staff costs

Salaries and wages	14.400.433	10.884.792	0	0
Pension costs	1.648.606	1.076.280	0	0
Other costs for social security	729.135	586.624	0	0
	<u>16.778.174</u>	<u>12.547.696</u>	<u>0</u>	<u>0</u>
Executive board and board of directors	<u>1.303.112</u>	<u>1.164.148</u>	<u>0</u>	<u>0</u>
Average number of employees	<u>25</u>	<u>22</u>	<u>0</u>	<u>0</u>

Notes

All amounts in DKK.

	Group		Parent	
	2021/22	2020/21	2021/22	2020/21
4. Depreciation, amortisation, and impairment				
Amortisation of consolidated goodwill	632.447	632.447	0	0
Depreciation of other fixtures and fittings, tools and equipment	169.681	193.903	0	0
Depreciation of leased assets	20.001	39.175	0	0
	822.129	865.525	0	0
5. Income from investments in subsidiaries				
Income from subsidiaries	0	0	38.186.470	32.912.076
	0	0	38.186.470	32.912.076
6. Other financial expenses				
Financial costs, group enterprises	0	0	0	34.611
Other financial costs	717.772	1.827.318	248.449	27.071
	717.772	1.827.318	248.449	61.682
7. Tax on net profit or loss for the year				
Tax on net profit or loss for the year	14.404.857	12.624.822	4.026.277	3.461.313
Adjustment of deferred tax for the year	-11.448	32.889	6.460	8.614
	14.393.409	12.657.711	4.032.737	3.469.927

Notes

All amounts in DKK.

	Parent	
	2021/22	2020/21
8. Proposed appropriation of net profit		
Extraordinary dividend adopted during the financial year	30.000.000	22.000.000
Reserves for net revaluation according to the equity method	38.186.470	32.912.076
Allocated from retained earnings	<u>-15.673.110</u>	<u>-9.687.644</u>
Total allocations and transfers	<u>52.513.360</u>	<u>45.224.432</u>

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
9. Goodwill				
Cost 1 July 2021	<u>3.171.181</u>	<u>3.171.181</u>	<u>0</u>	<u>0</u>
Cost 30 June 2022	<u>3.171.181</u>	<u>3.171.181</u>	<u>0</u>	<u>0</u>
Amortisation and writedown 1 July 2021	-1.266.904	-634.457	0	0
Amortisation and depreciation for the year	<u>-632.447</u>	<u>-632.447</u>	<u>0</u>	<u>0</u>
Amortisation and writedown 30 June 2022	<u>-1.899.351</u>	<u>-1.266.904</u>	<u>0</u>	<u>0</u>
Carrying amount, 30 June 2022	<u>1.271.830</u>	<u>1.904.277</u>	<u>0</u>	<u>0</u>

Notes

All amounts in DKK.

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
10. Other fixtures and fittings, tools and equipment				
Cost 1 July 2021	4.407.239	4.174.763	1.184.633	1.184.633
Additions during the year	72.285	232.476	0	0
Disposals during the year	-210.076	0	0	0
Cost 30 June 2022	4.269.448	4.407.239	1.184.633	1.184.633
Depreciation and writedown 1 July 2021	-3.772.788	-3.539.711	-1.184.633	-1.184.633
Translation at the exchange rate at the balance sheet date 30 June 2022	4.678	0	0	0
Amortisation and depreciation for the year	-189.842	-233.077	0	0
Depreciation, amortisation and impairment loss for the year, assets disposed of	33.267	0	0	0
Depreciation and writedown 30 June 2022	-3.924.685	-3.772.788	-1.184.633	-1.184.633
Carrying amount, 30 June 2022	344.763	634.451	0	0

Notes

All amounts in DKK.

	Parent	
	30/6 2022	30/6 2021
11. Investments in subsidiaries		
Cost 1 July 2021	10.921.883	10.921.883
Additions during the year	148.980	0
Cost 30 June 2022	11.070.863	10.921.883
Revaluations, opening balance 1 July 2021	30.938.322	17.996.621
Translation at the exchange rate at the balance sheet date	271.294	68.866
Net profit or loss for the year before amortisation of goodwill	38.186.470	32.912.076
Dividend	-31.862.767	-20.005.759
Group contribution	12.000.000	0
Other capital adjustments	-10.251	-33.483
Revaluation 30 June 2022	49.523.068	30.938.321
Carrying amount, 30 June 2022	60.593.931	41.860.204

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, Boston Nordic Group A/S
Boston Group A/S, Farum, Denmark	100 %	29.235.734	12.880.418	29.235.734
Boston Group AB, Göteborg, Sweden	100 %	12.553.688	10.987.508	12.553.688
Boston Group AS, Kristiansand, Norway	100 %	8.610.179	7.033.923	8.610.179
Boston Group OY, Kaarina, Finland	100 %	10.066.405	7.291.802	10.066.405
Nordic Warehouse Solutions A/S, Farum, Denmark	100 %	127.925	-7.181	127.925
		60.593.931	38.186.470	60.593.931

Notes

All amounts in DKK.

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
12. Deposits				
Cost 1 July 2021	415.249	415.249	0	0
Additions during the year	8.080	0	0	0
Cost 30 June 2022	423.329	415.249	0	0
Nedskrivninger 1 July 2021	-7.256	-7.256	0	0
Nedskrivninger 30 June 2022	-7.256	-7.256	0	0
Carrying amount, 30 June 2022	416.073	407.993	0	0
13. Deferred tax assets				
Deferred tax assets 1 July 2021	0	0	25.841	25.841
Deferred tax of the net profit or loss for the year	0	0	-6.460	0
	0	0	19.381	25.841
14. Prepayments				
Other prepayments	274.718	1.472.167	0	0
	274.718	1.472.167	0	0

Prepayments consists of prepayments for insurance and other subscriptions.

Notes

All amounts in DKK.

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
15. Contributed capital				
Contributed capital 1 July 2021	500.000	500.000	500.000	500.000
	500.000	500.000	500.000	500.000

The capital consists of 500 shares that have a nominal value of 1,000 kr. each. No shares carries any special rights. No changes occurred in the last 5 years.

16. Provisions for deferred tax				
Provisions for deferred tax 1 July 2021	156.384	123.495	0	0
Deferred tax relating to the net profit or loss for the year	-11.448	32.889	0	0
	144.936	156.384	0	0

17. Other provisions				
Provisions for group enterprises	9.086.213	10.194.185	0	0
Change in other provisions for the year	-4.418.979	-1.107.972	0	0
	4.667.234	9.086.213	0	0
Maturity is expected to be:				
1-5 years	4.667.234	9.086.213	0	0
	4.667.234	9.086.213	0	0

Boston Group A/S provides warranties on some of its products and is therefore obliged to repair or replace goods which are not satisfactory. Based on previous experience in respect of the level of repairs and returns, other provisions of DKK 4,667,234 have been recognised for expected warranty claims.

Provision for returned goods DKK 3,566,322

Provision for complaints DKK 1,100,912

Notes

All amounts in DKK.

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
18. Trade payables				
Trade payables	57.503.894	44.098.965	0	0
Provisions for auditor, solicitor, etc.	100.000	0	72.500	72.500
	57.603.894	44.098.965	72.500	72.500
19. Income tax payable				
Income tax receivables 1 July 2021	11.578.811	10.556.138	6.623.540	7.570.346
	11.578.811	10.556.138	6.623.540	7.570.346
20. Income tax payable to subsidiaries				
Short-term tax payables to group enterprises	267.751	0	269.776	1.574
	267.751	0	269.776	1.574
21. Deferred income				
Accruals and deferred income	464.566	362.554	0	0
	464.566	362.554	0	0
22. Charges and security				

Boston Nordic Group A/S has opposite Nordea A/S given a surety bond of DKK 31,143 thousand for the engagement with Nordea A/S, which Boston Group A/S, Boston Group AB and Boston Group AS.

Boston Nordic Group A/S has opposite Nordea A/S given a retirement statement about the balance of DKK 3,000 thousand, which the company has to Boston Group A/S.

Notes

All amounts in DKK.

22. Charges and security (continued)

Boston Group A/S has provided a floating charge of DKK 15,000 thousand over the company's simple claims as security for company's bank commitments. The company has provided a floating charge of DKK 5,000 thousand over the company's simple claims and inventory as security for company's bank commitments. The carrying amount hereof was at 30 June 2022;

	DKK in thousands
Inventories	116.213
Trade receivables	14.870

Boston Group has provided a guarantee for Boston Nordic Group A/S, Boston Group AB (Sweden) and Boston Group AS (Norway) involvements with Nordea Bank.

Boston Group AB has provided security in its movable property and debtors DKK 10,860 thousand.

Boston Group AB has provided security in its movable property and debtors DKK 11,946 thousand.

23. Contingencies

Contingent liabilities

	DKK in thousands
Lease liabilities	79.900
Rent liabilities	814.147
Total contingent liabilities	894.047

Lease liabilities

In addition to finance leases, Boston Group A/S has entered into operational leases. The leases have 3 months to maturity and total outstanding lease payments total DKK 79,900.

Boston Group A/S has a rent obligation, which is irrevocable up to 31 December 2021 after which the notice period is 12 month.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Notes

All amounts in DKK.

23. Contingencies (continued)

Joint taxation (continued)

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

24. Related parties

Controlling interest

C. Banzhaf Holding ApS	Majority shareholder
Boston Group A/S	Subsidiary
Boston Group AB	Subsidiary
Boston Group AS	Subsidiary
Boston Group OY	Subsidiary
Nordic Warehouse Solutions A/S	Subsidiary
Boardmember Jan Brus Albæk	Minorityowner
Lawyer Axel Tobias Vieth	Boardmember

Transactions

The company has the following related party transactions:

	Group		Parent
	2021/22	2020/21	2021/22
The sale of goods to group companies	0	0	15.548.235
Interest income loan to group companies	0	0	3.073.999
Interest expense loan from group companies	0	0	0
Receivable from group companies	145.404	0	47.067.923
Payables to group companies	0	6.600	1.574

Notes

All amounts in DKK.

	Group	
	2021/22	2020/21
25. Adjustments		
Impairment of current assets	822.129	865.525
Other financial income	-88.901	-362.204
Other financial expenses	717.772	1.827.319
Tax on net profit or loss for the year	14.404.857	12.657.711
Other provisions	-4.430.427	-1.107.972
Other adjustments	-50.734	-56.518
	11.374.696	13.823.861
26. Change in working capital		
Change in inventories	-46.737.409	-48.954.342
Change in receivables	-23.066.087	25.855.070
Change in trade payables and other payables	23.840.622	-606.585
	-45.962.874	-23.705.857

Accounting policies

The annual report for Boston Nordic Group A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (large enterprises).

The consolidated financial statements

The consolidated income statements comprise the parent company Boston Nordic Group A/S and those group enterprises of which Boston Nordic Group A/S directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' market value of net assets and liabilities at the acquisition date.

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

Purchases and sales of minority interests under continuing control are recognised directly in equity as a transaction between shareholders.

Investments in associates are measured in the statement of financial position at the proportionate share of the enterprises' equity value i calculated in accordance with the parent company's accounting policies and with proportionate elimination of unrealised intercompany gains and losses. In the income statement, the proportional share of the associates' results is recognised after elimination of the proportional share of intercompany gains and losses.

The group activities in joint operations are recognised in the consolidated financial statements record by record.

Non-controlling interests

Non-controlling interests constitute a share of the group's total equity. By distribution of net profit, profit or loss for the year is distributed on the share attributable to the non-controlling interests and the share attributable to the parent's shareholders respectively.

Income statement

Revenue

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Accounting policies

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income

Other external expenses

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in subsidiaries

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual subsidiaries are recognised in the income statement of the parent as a proportional share of the subsidiaries' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total Danish income tax payable by the Danish group companies is paid to the tax authorities by the company.

Accounting policies

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

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

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

Accounting policies

All leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The group's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Investments

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

Investments in subsidiaries with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover a negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Accounting policies

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Accounting policies

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve cannot be recognised by a negative amount.

Reserve for foreign currency translation

The reserve for foreign currency translation arises when translating accounting items in foreign currency.

The reserve is distributable.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

As administration company, Boston Nordic Group A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Accounting policies

Provisions

Provisions comprise expected costs of warranty commitments, restructuring, etc. Provisions are recognised when the group has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the group.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. Provisions for warranty commitments are measured on basis of the obtained experience with guarantee work. Provisions with an expected due date later than 1 year from the reporting date are discounted at a rate reflecting risk and maturity of the liability.

Liabilities other than provisions

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Deferred income

Payments received concerning future income are recognised under deferred income.

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

Cash flows from operating activities

Cash flows from operating activities are calculated as the group's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under "Interest income and dividend received".

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Accounting policies

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and shortterm financial instruments with a term of less than 3 months, which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.

Segmental statement

Information on activity and geographical markets is provided. The segmental statement complies with the consolidated accounting policies, risks, and management control systems of the company.

Assets in the segment comprise the assets used directly in the segment's revenue-generating activity.

Segment liabilities comprise liabilities derived from the segment's operations, including accounts payable and other liabilities.