



Inter Sales A/S

Omega 5
8382 Hinnerup
CVR No. 18831678

Annual report 01.04.2020 - 31.03.2021

The Annual General Meeting adopted the
annual report on 07.06.2021

Jesper Ørskov Nielsen

Chairman of the General Meeting

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Entity details

Entity

Inter Sales A/S

Omega 5

8382 Hinnerup

Business Registration No.: 18831678

Registered office: Favrskov

Financial year: 01.04.2020 - 31.03.2021

Phone number: 86226100

Fax: 86228100

URL: www.intersales.dk

Board of Directors

Jesper Ørskov Nielsen, chairman

Henrik Kristensen

Torben Ulrich

Jette Dahl Trans Kristensen

Camilla Ulrich

Executive Board

Torben Balmer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Inter Sales A/S for the financial year 01.04.2020 - 31.03.2021

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 31.03.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.04.2020 - 31.03.2021.

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.

Aarhus, 07.06.2021

Executive Board

Torben Balmer

Board of Directors

Jesper Ørskov Nielsen
chairman

Henrik Kristensen

Torben Ulrich

Jette Dahl Trans Kristensen

Camilla Ulrich

Independent auditor's report

To the shareholders of Inter Sales A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Inter Sales A/S for the financial year 01.04.2020 - 31.03.2021, 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 31.03.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.04.2020 - 31.03.2021 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 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.

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 and 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.

Aarhus, 07.06.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

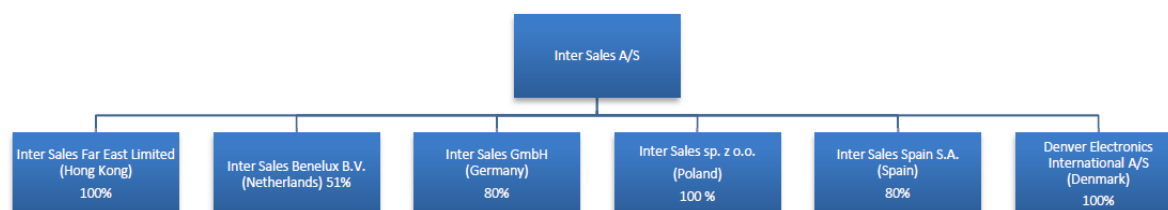
Michael Bach

State Authorised Public Accountant
Identification No (MNE) mne19691

Management commentary

Financial highlights

	2020/21 DKK'000	2019/20 DKK'000	2018/19 DKK'000	2017/18 DKK'000	2016/17 DKK'000
Key figures					
Revenue	539,696	369,259	374,981	409,049	464,642
Gross profit/loss	106,283	56,326	47,552	65,325	73,574
Operating profit/loss	70,247	24,670	15,106	31,568	43,027
Net financials	(2,809)	(1,630)	(1,936)	(1,630)	(1,296)
Profit/loss for the year	50,924	17,120	9,641	22,308	31,560
Profit for the year excl. minority interests	43,482	13,937	7,551	16,474	24,024
Balance sheet total	260,896	185,601	187,533	186,090	185,264
Investments in property, plant and equipment	463	588	111	225	328
Equity	96,874	61,076	51,715	69,935	69,337
Equity excl. minority interests	85,155	54,966	47,484	62,345	60,044
Cash flows from operating activities	12,605	13,593	4,149	4,026	25,776
Cash flows from investing activities	(663)	(552)	31	(82)	(3,019)
Cash flows from financing activities	(14,171)	(15,368)	(28,900)	(22,274)	(25,562)
Average number of employees	64	58	56	57	55
Ratios					
Return on equity (%)	62.06	27.21	13.75	26.92	40.6
Equity ratio (%)	32.64	29.62	25.32	33.50	32.41



Financial highlights are defined and calculated in accordance with the current version of "Recommendations &

Ratios" issued by the CFA Society Denmark.

Return on equity (%):

Profit/loss for the year excl. minority interests * 100

Average equity excl. minority interests

Equity ratio (%):

Equity excl. minority interests * 100

Balance sheet total

Primary activities

INTER SALES manufactures and sells mass-market consumer electronics under its own brand Denver. The Company has over the years evolved into a manufacturer of dependable, affordable, and varied consumer electronics with a broad sales and support network across Europe.

Development in activities and finances

The income statement for the financial year FY21 (01.04.2020 – 31.03.2021) showed a profit before tax of DKK 67,438k. against DKK 23,040k. for the prior financial year FY20 (period 01.04.2019 – 31.03.2020). The balance sheet for FY21 showed an equity of DKK 96,874k.

All strategic planning, actions and decisions in the company is anchored around having a strong business model, that continuously adjust to the dynamics in the market, and the competitive landscape.

INTER SALES has a strong management focus on continuously streamlining its operations, organizational structure, and processes to generate ongoing superior financial performance.

Profit/loss for the year in relation to expected developments

The financial performance of the year has exceeded the expectations which is a result of agile and dynamic planning and adjustment to the environment and market development.

Uncertainty relating to recognition and measurement

No uncertainties is relevant other than usual in the market

Outlook

INTER SALES will continue to strengthen operations and growth. The company will also in the coming years have strong focus on creating a platform for sustainable growth and generating a superior ROI.

For the financial year FY22 (01.04.2021 – 31.03.2022), the activity level is expected to decrease between 3-6%.

Particular risks

Market risk

The Company's product range is renewed on an ongoing basis in respect of design as well as technical product qualities and the general development in product technology and digitalization within consumer electronics. And in general, the dynamics of price and consumer needs and demands. It is an important success criterion for the Company to adapt its range of products to current trends and demands in the highly dynamic retail market, and to hedge against market risks.

Currency risk

Activities abroad imply that the profit, cash flows, and the equity are influenced by the developments in exchange and interest rates regarding several currencies. The Company's policy is to hedge against commercial currency risks. Primarily, hedging is done by forward exchange transactions for hedging anticipated sales and purchases within the next 12 months. No speculative currency positions are entered.

Interest risk

Due to a favorable interest rate development, it has been possible to finance the increased growth at a likewise favorable financial cost. An increase in the present interest rate will entail increased financial costs.

Use of financial instruments

INTER SALES uses hedging regarding currency risk to insure actual costs regarding purchase of goods. Hedging is done on individual purchase orders and is approved by management.

Statutory report on corporate social responsibility

For the companies' core business model incl. activities please see section on 'Primary activities'.

We have focus on responsible supplier management and anti-corruption and business ethics in 2020 and the coming years.

Efforts in 2020 are aimed to continue the improved reporting on ESG - Environment (E), Social (S) & Governance (G).

Inter Sales wants to promote good business conduct. We respect and support human rights, and have zero tolerance to corruption, bribery, and other inappropriate business conduct. Our most significant risks are related to our suppliers as there is a risk that our suppliers do not comply with the human rights. Employees and business partners can at any time report concerns about this to senior management. We also demand that our suppliers comply with the UN's international standards for human and labor rights. We declare that our products are compliant to the current legislation in the market the products are sold. Such as that our products have CE marking as a legal requirement throughout EEA region. In 2020, we did not have any breaches of human rights and we will continue to strengthen our human rights efforts in the future.

We do not accept corruption and bribery. We operate our business in a responsible manner, and we have a zero tolerance towards corruption. The risk concerning corruption is perceived as low as we mainly operate in Denmark where the risk is generally perceived as low however, we are aware of risks related to suppliers and our production. Our policy is applicable to all employees and our employees are obliged to report any evidence or suspicion of corruption breaches. In 2020 we did not have any cases related to bribery and corruption. In 2021, we will continue to focus on our efforts within anticorruption.

As a manufacturer of consumer electronics there is naturally a risk that our activities may adversely affect the climate and the environment, which we try to meet through our environmental policy. Inter Sales are member of BSCI, Business Social Compliance Initiative, and are actively participating in the auditing and integration of suppliers into the BSCI qualification and auditing program. We will continue our work with responsible supplier management. We regard environmentally responsible behaviour as one of the prerequisites for future business success. We have constantly focus on having updated requirements and standards towards our suppliers and their manufacturing processes, so that we minimize the impact on the environment. In 2020 we have improved our environmental efforts which we will continue to focus on in the future.

Employees are the company's most important resource. The company works actively to maintain and expand a positive reputation, which helps to attract and retain employees with the right competencies. As other companies there is a risk that our employees experience a lack of motivation or feel stressed. This, we try to mitigate by offering employee development as a natural part of our everyday business. It is our belief that we in 2020 have maintained a healthy work environment which we will continue to focus on in the future. The company supports the initiatives that come from the company's security committee. The company has an active safety committee.

Statutory report on the underrepresented gender

By end of March 2020, women accounted for 46% of the company employees which is an increase compared to last year.

The company fulfils the requirements for underrepresented gender in the board of Directors, as there is a 60%-40% distribution between men and women in the board of Directors.

For the other management levels, we focus on creating a culture with diversity and we work consciously with our recruitment process – from job advertisement to job interviews – so that it supports that all applicants, regardless of gender, age, and ethnicity, have equal opportunities. By the end of 2020 the company had a representation of 17% female and 83% men in the other management levels.

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.

Consolidated income statement for 2020/21

	Notes	2020/21 DKK'000	2019/20 DKK'000
Revenue	1	539,696	369,259
Other operating income	2	601	0
Cost of sales		(423,767)	(302,164)
Other external expenses	3	(10,247)	(10,769)
Gross profit/loss		106,283	56,326
Staff costs	4	(35,203)	(30,945)
Depreciation, amortisation and impairment losses		(833)	(711)
Operating profit/loss		70,247	24,670
Other financial income		429	1,330
Other financial expenses		(3,238)	(2,960)
Profit/loss before tax		67,438	23,040
Tax on profit/loss for the year	5	(16,514)	(5,920)
Profit/loss for the year	6	50,924	17,120

Consolidated balance sheet at 31.03.2021

Assets

	Notes	2020/21 DKK'000	2019/20 DKK'000
Acquired licences		291	172
Intangible assets	7	291	172
Other fixtures and fittings, tools and equipment		995	783
Leasehold improvements		252	753
Property, plant and equipment	8	1,247	1,536
Deposits		167	83
Financial assets	9	167	83
Fixed assets		1,705	1,791
Manufactured goods and goods for resale		134,632	100,692
Prepayments for goods		7,936	1,896
Inventories		142,568	102,588
Trade receivables		102,515	66,814
Deferred tax	10	1,618	1,594
Other receivables		4,105	1,590
Tax receivable		51	643
Prepayments	11	910	897
Receivables		109,199	71,538
Cash		7,424	9,684
Current assets		259,191	183,810
Assets		260,896	185,601

Equity and liabilities

	Notes	2020/21 DKK'000	2019/20 DKK'000
Contributed capital	12	10,000	10,000
Translation reserve		(32)	0
Retained earnings		45,487	29,689
Proposed dividend for the financial year		29,700	15,277
Equity belonging to Parent's shareholders		85,155	54,966
Equity belonging to minority interests		11,719	6,110
Equity		96,874	61,076
Deferred tax	10	51	0
Other provisions	13	12,174	8,773
Provisions		12,225	8,773
Other payables	14	0	816
Non-current liabilities other than provisions		0	816
Bank loans		86,237	83,311
Prepayments received from customers		701	471
Trade payables		26,542	13,856
Payables to owners and management		0	1,468
Tax payable		12,662	1,676
Other payables		25,453	14,039
Deferred income	15	202	115
Current liabilities other than provisions		151,797	114,936
Liabilities other than provisions		151,797	115,752
Equity and liabilities		260,896	185,601
Unrecognised rental and lease commitments	17		
Assets charged and collateral	18		
Transactions with related parties	19		
Subsidiaries	20		

Consolidated statement of changes in equity for 2020/21

	Contributed capital DKK'000	Translation reserve DKK'000	Retained earnings DKK'000	Proposed dividend for the financial year DKK'000	Equity belonging to Parent's shareholders DKK'000
Equity beginning of year	10,000	0	29,689	15,277	54,966
Ordinary dividend paid	0	0	0	(15,277)	(15,277)
Exchange rate adjustments	0	0	0	0	0
Fair value adjustments of hedging instruments	0	0	2,548	0	2,548
Value adjustments	0	(32)	0	0	(32)
Tax of entries on equity	0	0	(532)	0	(532)
Profit/loss for the year	0	0	13,782	29,700	43,482
Equity end of year	10,000	(32)	45,487	29,700	85,155

	Equity belonging to minority interests DKK'000	Total DKK'000
Equity beginning of year	6,110	61,076
Ordinary dividend paid	(1,820)	(17,097)
Exchange rate adjustments	(13)	(13)
Fair value adjustments of hedging instruments	0	2,548
Value adjustments	0	(32)
Tax of entries on equity	0	(532)
Profit/loss for the year	7,442	50,924
Equity end of year	11,719	96,874

Consolidated cash flow statement for 2020/21

	Notes	2020/21 DKK'000	2019/20 DKK'000
Operating profit/loss		70,247	24,670
Amortisation, depreciation and impairment losses		833	711
Other provisions		3,401	312
Working capital changes	16	(53,660)	(4,162)
Cash flow from ordinary operating activities		20,821	21,531
Financial income received		429	1,330
Financial expenses paid		(3,238)	(2,960)
Taxes refunded/(paid)		(5,407)	(6,308)
Cash flows from operating activities		12,605	13,593
Acquisition etc. of intangible assets		(200)	(134)
Acquisition etc. of property, plant and equipment		(463)	(588)
Sale of property, plant and equipment		0	170
Cash flows from investing activities		(663)	(552)
Free cash flows generated from operations and investments before financing		11,942	13,041
Repayments of loans etc.		0	(144)
Dividend paid		(17,097)	(7,761)
Repayments of bank debt		0	(7,463)
Incurrence of bank debt		2,926	0
Cash flows from financing activities		(14,171)	(15,368)
Increase/decrease in cash and cash equivalents		(2,229)	(2,327)
Cash and cash equivalents beginning of year		9,684	11,657
Currency translation adjustments of cash and cash equivalents		(31)	354
Cash and cash equivalents end of year		7,424	9,684

Cash and cash equivalents at year-end are composed of:

Cash	7,424	9,684
Cash and cash equivalents end of year	7,424	9,684

Notes to consolidated financial statements

1 Revenue

	2020/21 DKK'000	2019/20 DKK'000
Denmark	48,498	27,498
Other EU-countries	411,071	327,745
Other European countries	76,386	14,016
Other countries	3,741	0
Total revenue by geographical market	539,696	369,259

2 Other operating income

Other operating income comprise wage compensation due to the Covid-19 break out.

3 Fees to the auditor appointed by the Annual General Meeting

	2020/21 DKK'000	2019/20 DKK'000
Statutory audit services	199	209
Tax services	4	0
Other services	16	0
	219	209

4 Staff costs

	2020/21 DKK'000	2019/20 DKK'000
Wages and salaries	30,554	27,502
Pension costs	2,987	2,304
Other social security costs	902	871
Other staff costs	760	268
	35,203	30,945

Average number of full-time employees	64	58
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	Remuneration of manage- ment 2020/21 DKK'000	Remuneration of manage- ment 2019/20 DKK'000
Total amount for management categories	2,786	2,792
	2,786	2,792

5 Tax on profit/loss for the year

	2020/21 DKK'000	2019/20 DKK'000
Current tax	16,453	6,617
Change in deferred tax	(9)	(697)
Adjustment concerning previous years	70	0
	16,514	5,920

6 Proposed distribution of profit/loss

	2020/21 DKK'000	2019/20 DKK'000
Ordinary dividend for the financial year	29,700	15,277
Retained earnings	13,782	(1,340)
Minority interests' share of profit/loss	7,442	3,183
	50,924	17,120

7 Intangible assets

	Acquired licences DKK'000
Cost beginning of year	2,347
Additions	200
Cost end of year	2,547
Amortisation and impairment losses beginning of year	(2,175)
Amortisation for the year	(81)
Amortisation and impairment losses end of year	(2,256)
Carrying amount end of year	291

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	3,678	2,505
Additions	463	0
Cost end of year	4,141	2,505
Depreciation and impairment losses beginning of year	(2,895)	(1,752)
Depreciation for the year	(251)	(501)
Depreciation and impairment losses end of year	(3,146)	(2,253)
Carrying amount end of year	995	252

9 Financial assets

	Deposits DKK'000
Cost beginning of year	83
Additions	84
Cost end of year	167
Carrying amount end of year	167

10 Deferred tax

	2020/21 DKK'000	2019/20 DKK'000
Intangible assets	(27)	(38)
Property, plant and equipment	(24)	(22)
Tax losses carried forward	1,618	1,654
Deferred tax	1,567	1,594

	2020/21 DKK'000	2019/20 DKK'000
Changes during the year		
Beginning of year	1,594	899
Recognised in the income statement	(9)	695
Adjustments concerning previous years	(18)	0
End of year	1,567	1,594

	2020/21 DKK'000
Deferred tax has been recognised in the balance sheet as follows	
Deferred tax assets	1,618
Deferred tax liabilities	(51)
	1,567

Deferred tax is mainly incumbent tax losses carried forward and is expected to be realized within 2-4 years.

11 Prepayments

Prepayments recognised under assets comprise costs incurred relating to subsequent financial years.

12 Contributed capital

	Number	Par value DKK'000	Nominal value DKK'000
Private share class A	10,000	1	10,000
	10,000		10,000

13 Other provisions

Other provisions comprise of anticipated costs of warranty obligations. Warranty obligations comprise commitments to remedy defects within the warranty period.

14 Other payables

	2020/21 DKK'000	2019/20 DKK'000
Holiday pay obligation	0	816
	0	816

15 Deferred income

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

16 Changes in working capital

	2020/21 DKK'000	2019/20 DKK'000
Increase/decrease in inventories	(39,980)	5,138
Increase/decrease in receivables	(35,813)	(5,893)
Increase/decrease in trade payables etc.	22,133	(3,407)
	(53,660)	(4,162)

17 Unrecognised rental and lease commitments

	2020/21 DKK'000	2019/20 DKK'000
Total liabilities under rental or lease agreements until maturity	6,678	7,406

18 Assets charged and collateral

Guarantee obligations regarding import letter of credits issued by financial institutions constitute DKK 114.370k.

The Entity has provided a guarantee regarding rent obligation for Jyske Bank, which amounts to DKK 1.006k.

The Entity has provided a guarantee towards Danske Bank, which amounts to DKK 487k.

19 Transactions with related parties

All transactions with related parties have been made on arm's length terms.

20 Subsidiaries

	Registered in	Corporate form	Ownership %
Inter Sales Far East Limited	Hong Kong	Limited	100
Inter Sales GmbH	Germany	GmbH	80
Inter Sales Benelux B.V.	The Netherlands	B.V.	51
Inter Sales Spain, S.A.	Spain	S.A.	80
Inter Sales sp. z o.o.	Poland	sp.z.o.o	100
Denver Electronics International A/S	Denmark	A/S	100

Parent income statement for 2020/21

	Notes	2020/21 DKK'000	2019/20 DKK'000
Revenue	1	444,822	312,034
Other operating income	2	601	0
Cost of sales		(377,981)	(273,811)
Other external expenses		(5,974)	(6,186)
Gross profit/loss		61,468	32,037
Staff costs	3	(23,896)	(21,088)
Depreciation, amortisation and impairment losses		(603)	(489)
Operating profit/loss		36,969	10,460
Income from investments in group enterprises		16,562	8,681
Other financial income		411	1,140
Other financial expenses		(2,783)	(2,475)
Profit/loss before tax		51,159	17,806
Tax on profit/loss for the year	4	(7,622)	(2,022)
Profit/loss for the year	5	43,537	15,784

Parent balance sheet at 31.03.2021

Assets

	Notes	2020/21 DKK'000	2019/20 DKK'000
Acquired licences		291	172
Intangible assets	6	291	172
Other fixtures and fittings, tools and equipment		22	43
Leasehold improvements		252	753
Property, plant and equipment	7	274	796
Investments in group enterprises		29,393	16,874
Financial assets	8	29,393	16,874
Fixed assets		29,958	17,842
Manufactured goods and goods for resale		124,885	85,922
Prepayments for goods		7,936	1,755
Inventories		132,821	87,677
Trade receivables		32,039	18,954
Receivables from group enterprises		23,875	25,209
Other receivables		3,540	1,416
Tax receivable		0	643
Joint taxation contribution receivable		283	7
Prepayments	9	910	896
Receivables		60,647	47,125
Cash		2,998	6,330
Current assets		196,466	141,132
Assets		226,424	158,974

Equity and liabilities

	Notes	2020/21 DKK'000	2019/20 DKK'000
Contributed capital		10,000	10,000
Reserve for net revaluation according to the equity method		26,264	13,741
Retained earnings		22,618	19,451
Proposed dividend for the financial year		29,700	15,277
Equity		88,582	58,469
Deferred tax	10	51	60
Other provisions	11	4,551	3,152
Provisions		4,602	3,212
Other payables	12	0	816
Non-current liabilities other than provisions		0	816
Bank loans		84,319	73,709
Prepayments received from customers		701	433
Trade payables		15,611	5,167
Payables to group enterprises		21,243	12,489
Payables to owners and management		0	1,314
Tax payable		4,725	398
Other payables		6,641	2,967
Current liabilities other than provisions		133,240	96,477
Liabilities other than provisions		133,240	97,293
Equity and liabilities		226,424	158,974
Unrecognised rental and lease commitments	13		
Contingent liabilities	14		
Assets charged and collateral	15		
Transactions with related parties	16		

Parent statement of changes in equity for 2020/21

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed dividend for the year DKK'000	Total DKK'000
Equity beginning of year	10,000	13,741	19,452	15,277	58,470
Ordinary dividend paid	0	0	0	(15,277)	(15,277)
Exchange rate adjustments	0	(32)	0	0	(32)
Fair value adjustments of hedging instruments	0	0	2,103	0	2,103
Value adjustments	0	244	0	0	244
Tax of entries on equity	0	0	(463)	0	(463)
Dividends from group enterprises	0	(4,256)	4,256	0	0
Profit/loss for the year	0	16,567	(2,730)	29,700	43,537
Equity end of year	10,000	26,264	22,618	29,700	88,582

Notes to parent financial statements

1 Revenue

	2020/21 DKK'000	2019/20 DKK'000
Denmark	48,498	27,446
Other EU-countries	366,166	270,572
Other European countries	30,158	14,016
Total revenue by geographical market	444,822	312,034

2 Other operating income

Other operating income comprise wage compensation due to the Covid-19 break out.

3 Staff costs

	2020/21 DKK'000	2019/20 DKK'000
Wages and salaries	20,413	18,693
Pension costs	2,524	1,876
Other social security costs	214	256
Other staff costs	745	263
	23,896	21,088

Average number of full-time employees	38	37
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	Remuneration of manage- ment 2020/21 DKK'000	Remuneration of manage- ment 2019/20 DKK'000
Total amount for management categories	2,786	2,792
	2,786	2,792

4 Tax on profit/loss for the year

	2020/21 DKK'000	2019/20 DKK'000
Current tax	7,631	1,962
Change in deferred tax	(9)	60
	7,622	2,022

5 Proposed distribution of profit and loss

	2020/21 DKK'000	2019/20 DKK'000
Ordinary dividend for the financial year	29,700	15,277
Retained earnings	13,837	507
	43,537	15,784

6 Intangible assets

	Acquired licences DKK'000
Cost beginning of year	2,347
Additions	200
Cost end of year	2,547
Amortisation and impairment losses beginning of year	(2,175)
Amortisation for the year	(81)
Amortisation and impairment losses end of year	(2,256)
Carrying amount end of year	291

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	2,553	2,505
Cost end of year	2,553	2,505
Depreciation and impairment losses beginning of year	(2,510)	(1,752)
Depreciation for the year	(21)	(501)
Depreciation and impairment losses end of year	(2,531)	(2,253)
Carrying amount end of year	22	252

8 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	3,130
Cost end of year	3,130
Revaluations beginning of year	13,745
Exchange rate adjustments	(32)
Share of profit/loss for the year	16,562
Dividend	(4,256)
Fair value adjustments	244
Revaluations end of year	26,263
Carrying amount end of year	29,393

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

9 Prepayments

Prepayments recognised under assets comprise costs incurred relating to subsequent financial years.

10 Deferred tax

	2020/21 DKK'000	2019/20 DKK'000
Intangible assets	27	38
Property, plant and equipment	24	22
Deferred tax	51	60

	2020/21 DKK'000	2019/20 DKK'000
Changes during the year		
Beginning of year	60	0
Recognised in the income statement	(9)	60
End of year	51	60

11 Other provisions

Other provisions comprise of anticipated costs of warranty obligations. Warranty obligations comprise commitments to remedy defects within the warranty period.

12 Other payables

	2020/21 DKK'000	2019/20 DKK'000
Holiday pay obligation	0	816
	0	816

13 Unrecognised rental and lease commitments

	2020/21 DKK'000	2019/20 DKK'000
Total liabilities under rental or lease agreements until maturity	4,044	6,205

14 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.

15 Assets charged and collateral

Guarantee obligations regarding import letter of credits issued by financial institutions constitute DKK 114.370k.

The Entity has provided a guarantee regarding rent obligation for Jyske Bank, which amounts to DKK 1.006k.

The Entity has provided a guarantee towards Danske Bank, which amounts to DKK 487k.

Collateral provided for group enterprises

The Entity has guaranteed group enterprises' debt to Handelsbanken. Bank loans of group enterprises amount to DKK 1.918k.

16 Transactions with related parties

All transactions with related parties have been made on arm's length terms.

Accounting policies

Reporting class

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

The accounting policies applied to these consolidated financial statements and parent 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.

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.

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 takeover 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.

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.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in translation reserve in equity.

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 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 under 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 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.

Income statement

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 is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

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

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 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 intangible assets comprise depreciation and amortisation for the financial year.

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.

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.

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

Intellectual property rights etc.

Intellectual property rights etc. comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation.

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 life of the assets.

Acquired licenses	4 years
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Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

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 assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

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	4 years
Leasehold improvements	5 years

For leasehold improvements 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.

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

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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

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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Minority interests

Minority interests comprise the minority interests' share of subsidiaries' equity in which the subsidiary is not wholly owned by the Parent.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructuring, etc.

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.

On acquisition of enterprises and investments in group enterprises, provisions are made for costs relating to restructuring in the acquired enterprise that were decided and published at the acquisition date at the latest.

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.

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.

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 taxes 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, including acquisition of assets held under finance leases.

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

Cash and cash equivalents comprise cash.