

Registered number: 20 75 47 88

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**adidas Danmark A/S**

Øster Allé 56, 2 sal  
2100 Copenhagen Ø

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**Annual report and financial statements**

**for the year ended 31 December 2022**

The annual report was presented and adopted at the annual general meeting of the company

Chairman of meeting Kathryn Louise Swarbrick

Date 18.07.2023

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**Contents**  
**for the year ended 31 December 2022**

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**Statement by Board of Directors and the Executive Board  
for the year ended 31 December 2022**

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The Board of Directors and the Executive Board have today discussed and approved the annual report of adidas Danmark A/S for the financial year 1 January - 31 December 2022.

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

It is our opinion that the financial statements give a true and fair view of the company's assets, liabilities and financial position as 31 December 2022 and of the results of the company's operations for the year 1 January - 31 December 2022.

In our opinion, the Management's review includes a fair view of the development in the company's operations and financial matters, of the results for the year and of the company's financial position, and of the matters discussed in the Management's review.

We recommend that the annual report be adopted at the annual general meeting on 18th July 2023.

Copenhagen, 18th July 2023

**Executive Board**

Kathryn Louise Swarbrick

**Board of Directors**

Matthew Creighton  
Chairman

Kathryn Louise Swarbrick  
Director

Jörg Volker Döring  
Deputy Chairman



## Independent auditor's report

### To the shareholders of Adidas Danmark A/S

#### Opinion

We have audited the financial statements of Adidas Danmark A/S for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 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 financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (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 responsibility for the financial statements

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

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



## Independent auditor's report

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the 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 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 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 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 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 Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

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Strategic report  
for the year ended 31 December 2022

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## Independent auditor's report

### Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Aarhus, 18 July 2023

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Michael E. K. Rasmussen  
State Authorised  
Public Accountant  
mne41364

Dennis Valdeck Hansen  
State Authorised  
Public Accountant  
mne49092

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**Management Review**  
**for the year ended 31 December 2022**

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Seen over a five-year period the development of the company is described by the following financial highlights:

	2022	2021	2020	2019	2018
	DKK	DKK	DKK	DKK	DKK
	'000	'000	'000	'000	'000
Gross profit	47,302	47,587	44,318	53,660	36,509
Profit before financial income and expenses	15,693	15,379	13,255	14,366	7,703
Net financials	(237)	(530)	(726)	(951)	(111)
Profit/loss for the year	12,062	10,912	11,722	9,823	5,903
Balance sheet total	107,378	141,885	144,613	156,792	81,069
Investments in Property, Plant & Equipment	1,201	15,302	673	63,282	3,455
Equity	21,498	19,936	21,024	19,302	23,480
<b>Financial Ratios</b>					
Return on assets	14.6%	10.8%	9.2%	9.2%	9.5%
Solvency ratio	20.0%	14.1%	14.5%	12.3%	29.0%
Return on equity	<u>58.2%</u>	<u>53.3%</u>	<u>58.1%</u>	<u>50.9%</u>	<u>24.1%</u>

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts.

Financial highlights are calculated as follows:

Return on assets  $\quad ( \text{Profit before financial income and expenses} / \text{Total assets} ) \times 100$

Solvency ratio  $\quad \text{Equity at year end} \times 100 / \text{Total assets}$

Return on equity  $\quad \text{Net profit for the year} \times 100 / \text{Average equity}$

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**Management Review**  
**for the year ended 31 December 2022**

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**Business activities**

The company's activity is to sell sports merchandise of the brands adidas and Reebok in Denmark.

**Development in activities and financial position**

The company's income statement for the year ended 31 December 2022 shows a profit of DKK 12,062 thousand compared to profit of DKK 10,912 thousand in 2021 and an original forecast of the interval of DKK 9-11 million. The balance sheet at 31 December 2022 shows equity of DKK 21,498 thousand compared with DKK 19,936 thousand in 2021.

**Financial instruments**

The company's risk exposure

In Management's assessment, the company is not exposed to any special risks apart from those generally occurring in this line of business.

The company's goal and policies for managing financial risks

As the company primarily sell in Danish Krone and buy in Danish Krone, foreign exchange risk is considered low.

**Environment**

In Management's assessment, the company's activities do not impact on the external environment.

**Research and development activities**

The company does not undertake any research, but the product range is undergoing constant development.

**Post balance sheet events and Outlook**

adidas Denmark see a positive outlook for the rest of 2023 and forecasts a profit in 2023 of the interval DKK 13-16 million.

In 2023 the adidas group completed its deal to divest the Reebok brand. Please refer to publicly available adidas AG group accounts for further information.



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**Income Statement**  
**for the year ended 31 December 2022**

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	Note	2022 DKK '000	2021 DKK '000
Gross profit	2	47,302,275	47,587,326
<b>Gross profit</b>		<u>47,302,275</u>	<u>47,587,326</u>
Staff Costs	3	(22,814,699)	(22,686,388)
<b>Earnings before interest, taxes, depreciation and amortisation</b>		<u>24,487,576</u>	<u>24,900,938</u>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		(8,794,773)	(9,522,333)
<b>Profit before financial income and expenses</b>		<u>15,692,803</u>	<u>15,378,604</u>
Financial income	4	178,685	144,517
Financial expenses	5	(416,179)	(674,288)
<b>Profit/loss before tax</b>		<u>15,455,309</u>	<u>14,848,833</u>
Tax on profit for the year	6	(3,393,718)	(3,936,981)
<b>Net profit for the year</b>	7	<u><u>12,061,591</u></u>	<u><u>10,911,853</u></u>

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**Balance Sheet**  
**for the year ended 31 December 2022**

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	Note		2022 DKK	2021 DKK
<b>Non-current assets</b>				
<b>Property, plant and equipment</b>				
Operating equipment	8	671,997	353,869	
Leasehold upgrades	8	8,025,385	9,626,303	
Assets under construction	8	18,668	824,846	
Land & buildings	8	22,361,298	28,532,797	
Vehicles	8	115,898	255,442	
<b>Total non-current assets</b>		<b>31,193,246</b>	<b>39,593,257</b>	
<b>Current assets</b>				
<b>Inventories</b>				
Finished goods and goods for resale		7,393,424	9,876,831	
<b>Receivables</b>				
Trade Receivables		50,594,085	30,553,050	
Amounts owed by group companies		3,575,272	45,397,734	
Other receivables		11,374,962	9,122,723	
Deferred tax asset	9	2,879,035	2,879,035	
Corporation tax		208,724	3,015,942	
Prepayments	10	0	1,347,418	
<b>Cash at bank and hand</b>				
Cash at bank and hand		158,793	99,075	
<b>Total current assets</b>		<b>76,184,295</b>	<b>102,291,809</b>	
<b>Total assets</b>		<b>107,377,541</b>	<b>141,885,066</b>	

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<b>Balance Sheet</b>			
<b>for the year ended 31 December 2022</b>			
	Note	2022 DKK	2021 DKK
<b>Equity</b>			
Share capital		8,000,000	8,000,000
Retained Earnings		1,497,564	1,435,973
Proposed dividend for the year		12,000,000	10,500,000
<b>Total equity</b>	11	21,497,564	19,935,973
<b>Provisions</b>			
Other provisions	12	9,629,016	11,125,834
<b>Total provisions</b>		9,629,016	11,125,834
<b>Non-current liabilities other than provisions</b>			
Lease liabilities	13	17,008,791	23,290,866
<b>Total non-current liabilities other than provisions</b>		17,008,791	23,290,866
<b>Current liabilities other than provisions</b>			
Trade payables		4,633,993	9,819,013
Payables to group companies		24,043,409	49,269,770
Corporation tax		0	-
Other payables		23,705,322	22,496,432
Lease liabilities	13	6,859,446	5,947,177
<b>Total current liabilities other than provisions</b>		59,242,170	87,532,394
<b>Total equity and liabilities</b>		107,377,541	141,885,066

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**Statement of changes in equity  
for the year ended 31 December 2022**

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	Share capital	Proposed dividend for the year	Retained earnings	Total Equity
Equity at 1 January 2022	8,000,000	10,500,000	1,435,973	19,935,973
Profit for the year	-	-	12,061,591	12,061,591
Ordinary dividend paid	-	(10,500,000)		(10,500,000)
Proposed profit appropriation - dividend	-	12,000,000	(12,000,000)	-
<b>Equity at 31 December 2022</b>	<u>8,000,000</u>	<u>12,000,000</u>	<u>1,497,564</u>	<u>21,497,564</u>

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**Notes to the financial statements  
for the year ended 31 December 2022**

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## **1. Accounting policies**

The annual report of Adidas Danmark A/S for 2022 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

### Applied exemption in the Danish Financial Statements Act

In accordance with section 86 (4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement, as such a statement is included in the consolidated cash flow statement of adidas Group.

#### 1.1 Revenue

The Company has chosen to use IFRS 15 Revenue from contracts with customers as the basis of interpretation when recognizing revenue. In contrast to the previous basis of interpretation contained in IAS 11/18, IFRS 15 contains one overall and comprehensive model for the recognition of revenue. The fundamental principle in IFRS 15 is that the Company is to recognize revenue so it reflects goods or services provided to customers at the amounts to which the Company is expected to be entitled for the provision of these goods or services.

#### 1.2 Cost of sales

Cost of goods sold comprise direct and indirect costs incurred to generate revenue, including costs for sale and distribution of goods sold.

#### 1.3 Other operating income

Other operating income comprises items secondary to the activities of the Company, including gains on the disposal of intangible assets and property, plant and equipment.

#### 1.4 Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases etc.

#### 1.5 Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue. The gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

#### 1.6 Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc, to the company's employees.

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**Notes to the financial statements  
for the year ended 31 December 2022**

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**1. Accounting policies (continued)****1.7 Financial income and expenses**

Financial income and expenses include interest, financial expenses, realised and unrealised exchange adjustments, amortisation of mortgage.

**1.8 Tax on profit for the year**

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including charges arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

**1.9 Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

The basis of depreciation is cost less any projected residual value after the end of the useful life. The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and labour.

Depreciation is provided on a straight-line basis over the expected useful life of the asset based on the following expected useful lives:

Vehicles	3-4 years
Land & buildings	3-7 years
Operating Equipment	2-8 years
Leasehold Improvements	3-10 years

Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Property, plant and equipment are written down to the recoverable amount if this is lower than the carrying amount.

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**Notes to the financial statements  
for the year ended 31 December 2022**

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**1. Accounting policies (continued)**

Leased assets

The Company has chosen to use IFRS 16 Leases as the basis of interpretation for recognizing and measurement of finance leases to which the Company is the lessee.

Leased assets are depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use assets or the end of the lease term. The estimated useful lives of the assets are determined on the same basis as those of property, plant and equipment.

The capitalised residual lease obligation is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

1.10 Impairment of non-current assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation and amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write downs are made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised write downs are reversed when the basis for the write-down no longer exists. Write-down of goodwill is not reversed.

1.11 Inventories

Inventories are measured using FIFO method. Where the net realisable value is lower than the cost, inventories are carried at this lower value. The cost of goods for resale and consumables comprises the purchase price plus delivery costs.

The net realisable value of inventories is determined as the selling price less costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

1.12 Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable is impaired. If there is objective evidence that an individual receivables is impaired, an impairment loss for that individual asset is recognised.

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**Notes to the financial statements  
for the year ended 31 December 2022**

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**1. Accounting policies (continued)**

1.13 Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

1.14 Equity

Dividend

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of declaration by the annual general meeting.

The expected dividend payment for the year is disclosed as a separate item under equity.

1.15 Provisions

Provisions comprise expected expenses relating to guarantee commitments, reconstructions, etc. Provisions are recognised, when as a result of a past event, the company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at value in use.

1.16 Corporation tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated tax on the taxable income of the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.



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**Notes to the financial statements  
for the year ended 31 December 2022**

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**1. Accounting policies (continued)**

**1.17 Liabilities other than provisions**

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between proceeds and the nominal value is recognised in the income statement over the term of the loan.

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

**1.18 Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

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**Notes to the financial statements**  
**for the year ended 31 December 2022**

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**2. Other operating income**

Other operating income amounts 2022 0 DKK (2021: 0 DKK).

**3. Employees**

Staff costs were as follows

	2022	2021
	DKK	DKK
Wages and salaries	19,392,944	20,022,788
Social security costs	440,275	331,006
Pensions	2,043,992	1,845,394
Other staff costs	937,489	487,200
	<u>22,814,699</u>	<u>22,686,388</u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2022	2021
	No.	No.
	<u>74</u>	<u>70</u>

The Company has not paid any remuneration to the Executive Board or the Board of Directors during the financial year.

In 2021 management fee included remuneration of the Company's Executive Board and Board of Directors, DKK 5,661.

In Accordance with section 98b(3) of the Danish Financial Statement Act, remuneration of the Executive Board and the Board of Directors is presented as an aggregate single amount in 2021.

Due to internal restructuring at the end of financial year 2021 there are no longer remuneration of the Executive Board and the Board of Directors in adidas Danmark A/S

**4. Financial Income**

	2022	2021
	DKK	DKK
Other financial income	178,685	144,517
	<u>178,685</u>	<u>144,517</u>

**5. Financial Expenses**

	2022	2021
	DKK	DKK
Financial expenses from group companies	189,613	327,611
Other financial expenses	226,566	346,677
	<u>416,179</u>	<u>674,288</u>

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**Notes to the financial statements**  
**for the year ended 31 December 2022**

**6. Tax on profit for the year**

	2022	2021
	DKK	DKK
Current tax for the year	3,393,718	0
Deferred tax for the year	0	3,351,512
Adjustment of current tax concerning previous years	0	585,469
	<u>3,393,718</u>	<u>3,936,981</u>

**7. Proposed profit appropriation**

	2022	2021
	DKK	DKK
Proposed dividend for the year	12,000,000	10,500,000
Retained earnings	61,591	411,853
	<u>12,061,591</u>	<u>10,911,853</u>

**8. Tangible fixed assets**

	Land & buildings	Vehicles	Leasehold upgrade	Assets under Construction	Operating equipment	Total
	DKK	DKK	DKK	DKK	DKK	DKK
<b>Cost or valuation</b>						
At 1 January 2022	47,962,069	5,034,631	18,891,815	824,846	875,497	73,588,858
Additions	386,326	-	165,581	-	649,034	1,200,941
At 31 December 2022	<u>48,348,395</u>	<u>5,034,631</u>	<u>19,057,396</u>	<u>824,846</u>	<u>1,524,531</u>	<u>74,789,799</u>
<b>Depreciation</b>						
At 1 January 2022	19,429,272	4,779,189	9,265,512	-	521,628	33,995,602
Charge for the period on owned assets	6,557,824	139,543	1,766,498	-	330,906	8,794,772
Disposals	-	4,500,103	-	806,158	-	3,693,945
At 31 December 2022	<u>25,987,097</u>	<u>418,630</u>	<u>11,032,010</u>	<u>806,158</u>	<u>852,534</u>	<u>39,096,429</u>
<b>Carrying Amount</b>						
At 31 December 2022	<u>22,361,298</u>	<u>4,616,001</u>	<u>8,025,386</u>	<u>18,688</u>	<u>671,997</u>	<u>35,693,370</u>
Assets held under finance lease	<u>22,361,298</u>	<u>4,616,001</u>	-	-	-	<u>26,977,299</u>

**9. Deferred Tax Asset**

	2022	2021
	DKK	DKK
Deferred tax as at 1 January	2,879,035	6,230,547
Deferred tax adjustment for the year income statement	0	(3,351,512)
	<u>2,879,035</u>	<u>2,879,035</u>

**10. Prepayments**

Prepayments comprise prepaid expenses regarding rent, service charge, insurance premiums and subscriptions.

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**Notes to the financial statements**  
**for the year ended 31 December 2022**

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**11. Equity**

The share capital consists of 4 shares of a nominal value of DKK 2,000 thousand. No shares carry any special rights. There have been no changes in the share capital during the last 5 years.

**12. Other Provisions**

	2022	2021
	DKK	DKK
Warranty provision	9,629,016	11,125,834
	<u>9,629,016</u>	<u>11,125,834</u>

**13. Lease Liabilities**

Non-current liabilities other the provisions can be specified as follows:

	2022	2021
	DKK	DKK
Lease liabilities		
0 - 1 years	6,859,446	5,947,177
1 - 5 years	12,460,643	16,947,401
> 5 years	4,548,148	6,343,465
	<u>23,868,237</u>	<u>29,238,043</u>

**14. Contingent assets, liabilities and other financial obligations****Contingent Liabilities**

The company has entered into multi-years sponsor agreements with several sporting associations and athletes. The total liability at 31 December 2022 totalled DKK 7.8 million, of which DKK 5.5 million falls due for payment in 2023.

The company has issued bank guarantees of DKK 0.4 million.

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**Notes to the financial statements**  
**for the year ended 31 December 2022**

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**15. Related parties and ownership****Controlling interest**

adidas International B.V., Hoogoorddreef 9A, Amsterdam, Holland.  
adidas International B.V. holds the majority of contributed capital in the Company

**Ownership**

adidas Danmark A/S is part of the consolidated financial statements of the adidas Group. The consolidated financial statements can be requisitioned at <http://www.adidas-group.com/>

adidas Danmark A/S is part of the consolidated financial statements of the adidas Group, adidas AG, which is the largest and smallest group in which the Company is consolidated.

**Related party transactions**

	2022	2021
	DKK '000	DKK '000
<b>Transactions with related parties</b>		
Sale of goods and services to subsidiaries	11,528	12,870
Purchase of goods and services from subsidiaries	543,084	541,747

Receivables and payables from/to subsidiaries are disclosed in the balance sheet, and interest expense is disclosed in note 5.

**16. Post year-end events**

adidas Denmark see a positive outlook for the rest of 2023 and expects a profit in 2023 but adidas Denmark continues to closely monitor the developments of the ongoing macro-economic factors and evaluates the extent to which this may affect adidas business both short and long term.