

**Modino A/S**

**A.P. Møllers Allé 43B, 2791 Dragør**

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**Annual report**

**2021**

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**Company reg. no. 25 48 41 42**

The annual report was submitted and approved by the general meeting on the 5 July 2022.

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**Kim Damkær Hansen**  
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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## **Management's statement**

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Today, the Board of Directors and the Managing Director have approved the annual report of Modino A/S for the financial year 2021.

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 financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

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.

Dragør, 5 July 2022

### **Managing Director**

Kim Damkær Hansen

### **Board of directors**

Arne Hvidsten

Kim Damkær Hansen

Per-Ivar Kleivdal

## Independent auditor's report

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### To the Shareholders of Modino A/S

#### Opinion

We have audited the financial statements of Modino A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 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 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 Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the 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.

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

## Independent auditor's report

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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 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.

### Statement on Management's Review

Management is responsible for Management's Review.

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

## Independent auditor's report

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In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 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, 5 July 2022

### **Martinsen**

State Authorised Public Accountants  
Company reg. no. 32 28 52 01

Chris Winther Bjørholm Dyhr  
State Authorised Public Accountant  
mne34473

## Company information

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<b>The company</b>	Modino A/S A.P. Møllers Allé 43B 2791 Dragør
	Company reg. no. 25 48 41 42 Financial year: 1 January - 31 December
<b>Board of directors</b>	Arne Hvidsten Kim Damkær Hansen Per-Ivar Kleivdal
<b>Managing Director</b>	Kim Damkær Hansen
<b>Auditors</b>	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø
<b>Parent company</b>	MODINO NORDEN AS

## **Management´s review**

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### **The principal activities of the company**

The company's main activity is within distribution and services in the Danish telecom market.

### **Development in activities and financial matters**

The gross loss for the year totals DKK -17.840.341 against DKK 13.559.775 last year. Income or loss from ordinary activities after tax totals DKK -21.476.832 against DKK 6.407.353 last year. Management considers the net profit or loss for the year unsatisfactory.

MODINO. Describe the significant events from 2021

### **Events occurring after the end of the financial year**

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



## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Gross profit</b>	<b>-17.840.341</b>	<b>13.559.775</b>
1 Staff costs	-4.500.833	-5.894.357
Depreciation and impairment of property, land, and equipment	-5.523	-5.063
Other operating expenses	38.035	1.134.420
<b>Operating profit</b>	<b>-22.308.662</b>	<b>8.794.775</b>
Other financial income	27.788	633.828
2 Other financial expenses	-201.791	-1.190.603
<b>Pre-tax net profit or loss</b>	<b>-22.482.665</b>	<b>8.238.000</b>
Tax on net profit or loss for the year	1.005.833	-1.830.647
<b>Net profit or loss for the year</b>	<b>-21.476.832</b>	<b>6.407.353</b>
<b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	0	6.407.353
Allocated from retained earnings	-21.476.832	0
<b>Total allocations and transfers</b>	<b>-21.476.832</b>	<b>6.407.353</b>

**Balance sheet at 31 December**

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Non-current assets</b>		
3 Other fixtures and fittings, tools and equipment	17.029	22.552
Total property, plant, and equipment	17.029	22.552
4 Deposits	183.514	90.000
Total investments	183.514	90.000
<b>Total non-current assets</b>	<b>200.543</b>	<b>112.552</b>
<b>Current assets</b>		
Trade receivables	368.551	7.230.331
Receivables from subsidiaries	0	17.041.551
Deferred tax assets	1.080.000	0
Other receivables	57.879	16.428
Prepayments	0	78.436
Total receivables	1.506.430	24.366.746
Cash and cash equivalents	163.445	0
<b>Total current assets</b>	<b>1.669.875</b>	<b>24.366.746</b>
<b>Total assets</b>	<b>1.870.418</b>	<b>24.479.298</b>

**Balance sheet at 31 December**

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Contributed capital	500.000	500.000
Retained earnings	-3.985.238	17.491.594
<b>Total equity</b>	<b>-3.485.238</b>	<b>17.991.594</b>
<b>Provisions</b>		
Provisions for deferred tax	0	12.280
<b>Total provisions</b>	<b>0</b>	<b>12.280</b>
<b>Long term liabilities other than provisions</b>		
5 Payables to subsidiaries	3.760.134	0
Other payables	0	399.903
<b>Total long term liabilities other than provisions</b>	<b>3.760.134</b>	<b>399.903</b>
Bank loans	0	50
Trade payables	588.536	1.160.429
Payables to subsidiaries	0	1.199.224
Income tax payable	0	1.724.985
Other payables	1.006.986	1.990.833
<b>Total short term liabilities other than provisions</b>	<b>1.595.522</b>	<b>6.075.521</b>
<b>Total liabilities other than provisions</b>	<b>5.355.656</b>	<b>6.475.424</b>
<b>Total equity and liabilities</b>	<b>1.870.418</b>	<b>24.479.298</b>
<b>6 Contingencies</b>		
<b>7 Related parties</b>		

## Statement of changes in equity

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All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2020	500.000	11.084.241	11.584.241
Profit or loss for the year brought forward	0	6.407.353	6.407.353
Equity 1 January 2021	500.000	17.491.594	17.991.594
Profit or loss for the year brought forward	0	-21.476.832	-21.476.832
	<u>500.000</u>	<u>-3.985.238</u>	<u>-3.485.238</u>

## Notes

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All amounts in DKK.

	<u>2021</u>	<u>2020</u>
<b>1. Staff costs</b>		
Salaries and wages	4.095.744	5.427.229
Pension costs	351.220	425.601
Other costs for social security	53.869	41.527
	<u>4.500.833</u>	<u>5.894.357</u>
Average number of employees	<u>3</u>	<u>7</u>
<b>2. Other financial expenses</b>		
Financial costs, group enterprises	27.396	0
Other financial costs	174.395	1.190.603
	<u>201.791</u>	<u>1.190.603</u>
<b>3. Other fixtures and fittings, tools and equipment</b>		
Cost 1 January 2021	27.615	0
Additions during the year	0	27.615
<b>Cost 31 December 2021</b>	<u>27.615</u>	<u>27.615</u>
Depreciation and writedown 1 January 2021	-5.063	0
Depreciation for the year	-5.523	-5.063
<b>Depreciation and writedown 31 December 2021</b>	<u>-10.586</u>	<u>-5.063</u>
<b>Carrying amount, 31 December 2021</b>	<u>17.029</u>	<u>22.552</u>
<b>4. Deposits</b>		
Cost 1 January 2021	90.000	84.000
Additions during the year	93.514	6.000
<b>Cost 31 December 2021</b>	<u>183.514</u>	<u>90.000</u>
<b>Carrying amount, 31 December 2021</b>	<u>183.514</u>	<u>90.000</u>

## Notes

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All amounts in DKK.

	<u>31/12 2021</u>	<u>31/12 2020</u>
<b>5. Payables to subsidiaries</b>		
Total payables to subsidiaries	3.760.134	0
Share of amount due within 1 year	<u>0</u>	<u>0</u>
<b>Total payables to subsidiaries</b>	<u><b>3.760.134</b></u>	<u><b>0</b></u>
<b>6. Contingencies</b>		
<b>Contingent liabilities</b>		DKK in thousands
Liabilities under rental or lease agreements until maturity in total		<u>248</u>
<b>Total contingent liabilities</b>		<u><b>248</b></u>
<b>7. Related parties</b>		
<b>Consolidated financial statements</b>		
The company is included in the consolidated financial statements of Modino Norden AS, Trondheimsveien 183, 2020 Skedsmokorset, Norway.		

## Accounting policies

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The annual report for Modino A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

### Changes in the accounting policies

The item “Staff costs” has been reclassified so that certain types of expenses previously recognised under “Staff costs” will, in the future, be recognised under the item “Other external charges”.

The change in classification has no effect on the net profit or loss for the year, nor on the statement of financial position, neither for the current financial year, nor the previous financial year. The comparative figures have been adjusted in accordance with the reclassification.

Except for the above, the accounting policies for the financial statements remain unchanged from last year.

## Income statement

### Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

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

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

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

### Value adjustment of investment property

Value adjustment of investment property comprises value adjustments of properties at fair value and profit or loss from the disposal of properties.

### Staff costs

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

## Accounting policies

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### 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.

### Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

### 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.

### 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.

## Statement of financial position

### Property, plant, and equipment

Other 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:

Useful life



## Accounting policies

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Other fixtures and fittings, tools and equipment 3-5 years

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.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from sub-suppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

### Receivables

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

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

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

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### Income tax and deferred tax

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.

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.

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.

### Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

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.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

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