



## FFW Danmark ApS

Palægade 6, 2.  
1261 København K  
CVR No. 28687540

## Annual report 2023

The Annual General Meeting adopted the annual report on 10.06.2024

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**Michael Drejer**

Chairman of the General Meeting

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# Entity details

## Entity

FFW Danmark ApS

Palægade 6, 2.

1261 København K

Business Registration No.: 28687540

Registered office: København

Financial year: 01.01.2023 - 31.12.2023

## Board of Directors

Michael Koefoed Steensborg Drejer

Sven Müller Holberg

## Executive Board

Thomas Pedersen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of FFW Danmark ApS for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

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.

Copenhagen, 22.04.2024

## Executive Board

**Thomas Pedersen**

## Board of Directors

**Michael Koefoed Steensborg Drejer**

**Sven Müller Holberg**

# Independent auditor's report

## To the shareholder of FFW Danmark ApS

### Opinion

We have audited the financial statements of FFW Danmark ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 22.04.2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Lars Dam Østergaard**

State Authorised Public Accountant  
Identification No (MNE) mne34501

# Management commentary

## Financial highlights

	2023	2022	2021
	DKK'000	DKK'000	DKK'000
<b>Key figures</b>			
Gross profit/loss	54,231	53,707	45,296
Operating profit/loss	24,785	29,010	23,247
Net financials	(2,997)	(4,845)	(3,707)
Profit/loss for the year	16,662	23,650	15,163
Total assets	278,179	251,403	214,536
Investments in property, plant and equipment	402	388	346
Equity	75,211	78,550	105,838
<b>Ratios</b>			
Equity ratio (%)	27.04	31.24	49.33

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

### Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Total assets



### Primary activities

The company delivers services within digital technology, data, strategy, design and UX, mainly for medium and large enterprises, governmental agencies, and NGOs.

### Development in activities and finances

In 2023, the market for digital consultancy and digital services faced headwinds due to the prevailing economic conditions. The onset of a global recession led to tightened budgets and decreased investments across industries especially in the second half of the year. Consequently, businesses were more cautious in their spending, leading to a slowdown in demand for digital consultancy services and digital solutions.

For FFW, these challenging market conditions translated into a decline in demand for its services as clients scaled back on discretionary expenditures and prioritized cost-saving measures. The company experienced intensified competition as players within the industry vied for a shrinking pool of projects, putting pressure on pricing and profit margins.

Despite these challenges, FFW remained resilient by adapting its business strategies to align with the evolving market landscape. The company focused on optimizing operational efficiencies, streamlining service offerings, and enhancing value propositions to retain existing clients and attract new business opportunities, which created a below expectations result however still somewhat above industry standards.

### Profit/loss for the year in relation to expected developments

The income statement of the Company for 2023 shows a net profit of 16,661,626 DKK, and at 31 December 2023 the balance sheet of the Company shows equity of 75,211,282 DKK. The result is below expectations set out in the annual report for the financial year 2022, where an increase was expected in relation to the profit of 23,649,500.

In June 2023 FFW Danmark ApS was acquired - along with the entire group of FFW companies - by the Italian MarTech company Jakala S.p.A S.B. Jakala offers its customers strategic, analytical, digital, and technological support by leveraging on assets and know-how, as well as adopting innovative models aimed at achieving measurable results.

### Outlook

As we transition into 2024, the outlook for the market remains influenced by ongoing economic uncertainties and the lingering effects of the recession. While signs of recovery may emerge, the pace and extent of the rebound in demand for digital consultancy and services are expected to be gradual and uneven across sectors.

FFW recognizes the importance of agility and innovation in navigating these turbulent times. The company remains committed to diversifying its service portfolio, expanding into niche markets, and leveraging emerging technologies to differentiate itself and capture new growth opportunities, especially in corporation with Jakala which holds an opportunity for FFW, to adopt their services and offer them to both existing and new clients.

Moreover, FFW will continue to prioritize the robust client relationships and delivering tangible value propositions tailored to address the evolving needs and challenges of its clientele. By fostering a client-centric approach and demonstrating expertise in driving digital transformation outcomes, the company aims to mitigate the impact of the recession and position itself for sustainable growth in the long term.

In summary, while the market for digital consultancy and digital services faced challenges in 2023 and is expected to continue grappling with the aftermath of the recession in 2024, FFW remains steadfast in its commitment to weathering the storm, driving innovation, and delivering value to its clients in a dynamic and evolving landscape.

### **Operating risks**

The biggest operational risk to FFW Danmark is related to a (however not expected) potential slowdown in the market for digital services, which could be generated by a potential worldwide recession (see also above in the market section). FFW is mitigating this risk by diversifying its customer base and moving revenue from single-project sales to recurring contracts focusing on maintenance, support, security, and optimization.

Another operational risk of significance to FFW Danmark's business is the ongoing war in Ukraine where we maintain a subsidiary. We mitigate this risk by having created a pool of freelancers we can work with on rather short notice in case of shortages in resources but also by increasingly hiring IT-developers in Western European countries as our main HR resource.

### **Foreign exchange risks**

The risk related to exchange rate in FFW Danmark is very limited since almost all revenue is invoiced, and all costs are paid in either DKK or EUR which is pegged to DKK.

### **Targets and expectations for the year ahead**

For 2024, FFW Danmark expects growth in revenue and EBITDA compared to 2023.

### **Environmental performance**

In 2024 FFW Danmark plans to continue focusing its corporate social responsibility efforts on several initiatives separated in the following areas:

FFW Danmark ApS recognizes the impact of our business activities on the environment and is committed to minimizing these impacts as much as possible. Climate change is manifesting rapidly in the form of droughts, fires, floods, resource scarcity, and species loss, among other impacts. In response, in 2019, we launched the local environment initiative #AgenciesForFuture in Germany, consulting with experts in climate protection to create a blueprint for our strategy to positively impact the environment.

We offset the carbon footprint of our business travel and team members commute in Hamburg through Arktik GmbH, an environmental protection project. We also extend CO2 compensation to our team members' vacation trips and offer our Hamburg staff the opportunity to lease a traditional or electric bicycle at reduced rates. Additionally, we purchase green electricity and work exclusively with hosting suppliers who are committed to climate neutrality.

Our company car policy prioritizes alternatively powered vehicles, and we closely examine whether a company car is necessary at all.

Additionally, we offer our Hamburg team members a mobility budget for public transportation or private mobility service providers. At our events, we avoid meat and offer vegetarian and vegan options to our team members and guests.

FFW Danmark ApS has further reaffirmed its commitment to promoting a culture of flexibility and choice in the workplace. This approach not only enhances team member satisfaction and work-life balance, but also reduces our environmental footprint by decreasing the use of natural resources and waste production through remote work.

In 2024, we plan to continue our existing policies aimed at reducing our carbon footprint by encouraging remote

work, implementing recycling and waste reduction programs, promoting smart travel, and reducing air travel, and educating our staff on the risks of global warming.

### **Statutory report on corporate social responsibility**

At FFW Danmark ApS, our purpose is to provide our team members with fulfilling work experience and a sense of community, supported by our strong corporate culture based on values such as integrity, respect, trust, focus, stability, and passion. We place a strong emphasis on professional development, offering a range of courses, training, and conferences to our team members to ensure they are continuously updating their knowledge and skills.

To support the well-being of team members working from home, we encourage regular breaks and discourage working beyond normal working hours. Additionally, we have implemented guidelines for physical and mental health as part of our newly introduced policies.

In collaboration with a partner organization, FFW Danmark ApS further provides team members who have chosen to work from home with appropriate equipment, such as laptops, monitors, office chairs, and headphones, to safeguard their physical health.

Moreover, we regularly survey our team member's opinions on various topics relating to their well-being at work, and follow-up on the areas where improvement is necessary.

FFW Danmark ApS also places a strong emphasis on team member engagement and provides opportunities for skill development and professional growth. In 2023, we supported and sponsored our team members in attaining different professional certifications and launched our internal FFW Academy to provide educational services for both our team members and external interested parties.

Looking ahead to 2024, the Company remains committed to creating the best possible workplace by fostering inclusion and building teams with diverse skills, backgrounds, and experience. We will continue to collect and analyze data as a baseline for measuring progress on our level of diversity and introduce initiatives across the team members lifecycle according to data insights and business strategy.

### **Human Rights**

As a responsible corporation, FFW Danmark ApS recognizes the vital importance of upholding human rights in all aspects of its operations. While we acknowledge that our business activities may have a limited impact on the preservation of human rights, we are committed to taking appropriate measures to mitigate any potential negative influence.

Even though FFW Danmark ApS operates in a business sector that does not involve the production of physical goods and is characterized by a low risk of human rights violations, IT service companies can sometimes adopt business models that prioritize speed of delivery over safety, which may lead to corners being cut on safety measures. Additionally, new team members may not be fully aware of FFW Danmark's strong culture of non-discrimination and harassment prevention and may be subject to pressure to deliver results within unreasonable deadlines and at the cost of longer working hours.

To address these concerns, FFW Danmark ApS joined Jakala's internal whistle-blowing system, through which team members can report any concerns related to human rights violations and seek correction and remedies. Reports can be submitted directly to top-level management, and the anonymity of whistleblowers is ensured to prevent retaliation.

In our commitment to uphold the principles of equality, dignity, and rights for all individuals, we have further integrated accessibility best practices into our service offerings and products. This includes ensuring that our online environment is accommodating for individuals with disabilities, such as hearing loss or vision impairment, as well as catering to the needs of individuals with attention-deficit hyperactivity disorder, autism, and Alzheimer's disease.

We are pleased to report that in 2023, we were not made aware of any severe cases of human rights violations within our company.

As we move forward into 2024, we are committed to taking further steps towards implementing a stronger and more integrated approach to human rights compliance.

### **Anti-Corruption**

In terms of anti-corruption measures, FFW Danmark ApS recognizes the detrimental impact of corruption and bribery on sustainable development and fair trade. As such, we have implemented an Anti-Bribery and Corruption Policy that prohibits any actions that are inappropriate or lacking in propriety and outlines our approach to maintaining appropriate business relationships with government officials, clients, vendors, and business partners.

As the markets for IT technology services are often new and expanding, the main risks around corruption relating to FFW Danmark's business activity continue to be associated with the different cultural differences in attitudes towards corruption across the globe. Facilitation payments made to speed up or secure routine and non-discretionary governmental action may serve as excuse for violating ethical business practices. Moreover, any gifts, meals, entertainments, travel, and lodging provided or received by FFW employees during business conduct need to be carefully assessed against criteria such as reasonable value, compliance with legitimate business purposes, laws, and clients' policies.

We are pleased to report that we did not experience any cases of corruption in 2023.

In 2024, we will continue to monitor the application of our Anti-Bribery and Corruption Policy throughout our organization and will act if any areas for improvement are identified.

### **Statutory report on diversity**

We recognize the importance of having a diverse and inclusive Board of Directors. Studies have shown that companies with diverse boards tend to perform better financially, and a balanced representation of genders can provide a wider range of perspectives and ideas. We are committed to actively seeking out qualified female candidates to join our Board and will continue to monitor our progress towards our diversity and inclusion targets.

We also understand that diversity and inclusion go beyond gender, and we are committed to promoting a culture of diversity and inclusion across all aspects of our business, including but not limited to race, ethnicity, sexual orientation, and physical abilities. We believe that the diversity of our workforce is one of our greatest strengths, and we will continue to make efforts to ensure that our company is a welcoming and inclusive place for all team members.

In conclusion, FFW Group is committed to promoting diversity and inclusion within our corporate governance practices and will continue to strive for a gender-balanced Board of Directors as we move forward. We are

dedicated to fostering a culture of inclusivity and promoting the representation of underrepresented groups within the company, to ensure that our business is representative of the diverse society we serve.

### **Statutory report on data ethics policy**

In the realm of data ethics, FFW Danmark ApS is acutely aware of the potential ethical dilemmas arising from technological advancements and the extensive use of data.

Remarkable surges in artificial intelligence (AI) have led to a wide range of innovations with the potential to benefit nearly all aspects of our society and economy. AI technologies are often used to achieve a beneficial impact by informing, advising, or simplifying tasks.

However, risks common for software or information-based systems apply to AI, including concerns related to cybersecurity, privacy, safety, and infrastructure. AI risks may arise from the data used to train the AI system, the AI system itself, the use of the AI system, or interaction of people with the AI system.

FFW Danmark ApS has already adopted and implemented a comprehensive personal data protection program which entails its Data Protection, Data Subject Rights, Data Retention and Safe Destruction, Data Breach Management Policies as well as its Data Processing Agreements, Data Processing Audit and Supervision, and Data Processing Impact Assessment Procedures. These policies and procedures aim to ensure that third parties working with FFW Group adhere to the same standards in data protection and are fully dedicated to ensuring ethical data processing.

On top of its existing framework, FFW Danmark ApS is working towards adopting a set of policies, procedures and risk assessments for the responsible use of AI. Our goal is that in 2024 we will be able to integrate AI within our work by implementing an AI Ethics and Acceptable Use Policy, Rules for Internal Use of AI and template risk assesment.

### **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.

# Income statement for 2023

	Notes	2023 DKK	2022 DKK
<b>Gross profit/loss</b>		<b>54,231,206</b>	<b>53,706,526</b>
Staff costs	1	(29,087,824)	(24,430,557)
Depreciation, amortisation and impairment losses	2	(358,142)	(266,181)
<b>Operating profit/loss</b>		<b>24,785,240</b>	<b>29,009,788</b>
Income from investments in group enterprises		0	5,032,115
Other financial income	3	6,730,834	2,022,114
Other financial expenses	4	(9,727,760)	(6,867,226)
<b>Profit/loss before tax</b>		<b>21,788,314</b>	<b>29,196,791</b>
Tax on profit/loss for the year	5	(5,126,688)	(5,547,291)
<b>Profit/loss for the year</b>	6	<b>16,661,626</b>	<b>23,649,500</b>

# Balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Other fixtures and fittings, tools and equipment		563,318	519,132
Leasehold improvements		0	0
Property, plant and equipment in progress		0	0
<b>Property, plant and equipment</b>	7	<b>563,318</b>	<b>519,132</b>
Investments in group enterprises		172,988,876	92,854,887
Deposits		94,143	94,143
<b>Financial assets</b>	8	<b>173,083,019</b>	<b>92,949,030</b>
<b>Fixed assets</b>		<b>173,646,337</b>	<b>93,468,162</b>
Trade receivables		12,848,986	6,716,624
Contract work in progress		1,527,433	927,518
Receivables from group enterprises		75,137,398	142,416,830
Deferred tax	9	129,000	115,064
Other receivables		2,878,731	0
Prepayments	10	2,808,770	2,970,469
<b>Receivables</b>		<b>95,330,318</b>	<b>153,146,505</b>
<b>Cash</b>		<b>9,202,285</b>	<b>4,788,275</b>
<b>Current assets</b>		<b>104,532,603</b>	<b>157,934,780</b>
<b>Assets</b>		<b>278,178,940</b>	<b>251,402,942</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023</b> <b>DKK</b>	<b>2022</b> <b>DKK</b>
Contributed capital		131,250	131,250
Retained earnings		75,080,032	58,418,406
Proposed dividend		0	20,000,000
<b>Equity</b>		<b>75,211,282</b>	<b>78,549,656</b>
Debt to other credit institutions		52,127,013	44,619,003
<b>Non-current liabilities other than provisions</b>	<b>11</b>	<b>52,127,013</b>	<b>44,619,003</b>
Prepayments received from customers		559,556	4,503,675
Trade payables		1,462,080	1,767,301
Payables to group enterprises		133,033,134	106,930,994
Joint taxation contribution payable		5,140,624	11,547,581
Other payables		10,645,251	3,484,732
<b>Current liabilities other than provisions</b>		<b>150,840,645</b>	<b>128,234,283</b>
<b>Liabilities other than provisions</b>		<b>202,967,658</b>	<b>172,853,286</b>
<b>Equity and liabilities</b>		<b>278,178,940</b>	<b>251,402,942</b>
Contingent liabilities	12		
Related parties with controlling interest	13		
Non-arm's length related party transactions	14		
Group relations	15		



# Statement of changes in equity for 2023

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Proposed dividend DKK</b>	<b>Total DKK</b>
Equity beginning of year	131,250	58,418,406	20,000,000	78,549,656
Ordinary dividend paid	0	0	(20,000,000)	(20,000,000)
Profit/loss for the year	0	16,661,626	0	16,661,626
<b>Equity end of year</b>	<b>131,250</b>	<b>75,080,032</b>	<b>0</b>	<b>75,211,282</b>

# Notes

## 1 Staff costs

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	25,880,802	21,897,198
Pension costs	1,405,646	999,060
Other social security costs	309,501	255,485
Other staff costs	1,491,875	1,278,814
	<b>29,087,824</b>	<b>24,430,557</b>

Average number of full-time employees	<b>29</b>	<b>35</b>
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## 2 Depreciation, amortisation and impairment losses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Depreciation of property, plant and equipment	358,142	266,181
	<b>358,142</b>	<b>266,181</b>

## 3 Other financial income

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	1,037,910	0
Other interest income	0	1,157,479
Exchange rate adjustments	5,692,924	864,635
	<b>6,730,834</b>	<b>2,022,114</b>

## 4 Other financial expenses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	1,886,300	0
Other interest expenses	3,624,627	2,406,130
Exchange rate adjustments	4,216,833	4,461,096
	<b>9,727,760</b>	<b>6,867,226</b>

## 5 Tax on profit/loss for the year

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	5,140,624	5,604,633
Change in deferred tax	(13,936)	(57,342)
	<b>5,126,688</b>	<b>5,547,291</b>

## 6 Proposed distribution of profit and loss

	2023 DKK	2022 DKK
Ordinary dividend for the financial year	0	20,000,000
Retained earnings	16,661,626	3,649,500
	<b>16,661,626</b>	<b>23,649,500</b>

## 7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Property, plant and equipment in progress DKK
Cost beginning of year	2,289,635	463,000	4,611,105
Additions	402,328	0	0
<b>Cost end of year</b>	<b>2,691,963</b>	<b>463,000</b>	<b>4,611,105</b>
Depreciation and impairment losses beginning of year	(1,770,503)	(463,000)	(4,611,105)
Depreciation for the year	(358,142)	0	0
<b>Depreciation and impairment losses end of year</b>	<b>(2,128,645)</b>	<b>(463,000)</b>	<b>(4,611,105)</b>
<b>Carrying amount end of year</b>	<b>563,318</b>	<b>0</b>	<b>0</b>

## 8 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	92,854,887	94,143
Additions	80,133,989	0
<b>Cost end of year</b>	<b>172,988,876</b>	<b>94,143</b>
<b>Carrying amount end of year</b>	<b>172,988,876</b>	<b>94,143</b>

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
FFW Bulgaria EOOD	Sofia, BG	EOOD	100.00
FFW Deutschland GmbH	Berlin, DE	GmbH	100.00
FFW Germany GmbH	Hamburg, DE	GmbH	100.00
FFW France Sarl	Paris, FR	Sarl	100.00
FFW Dnipro LLC	Dnipro, UKR	LLC	100.00
FFW Vietnam LLC	Hanoi, VN	LLC	100.00
FFW UK Ltd	London, UK	Ltd	100.00
Bysted A/S	Odense, DK	A/S	100.00
Yours Truly GmbH	Hamburg, DE	GmbH	100.00

## 9 Deferred tax

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Property, plant and equipment	71,256	57,527
Receivables	57,744	57,537
<b>Deferred tax</b>	<b>129,000</b>	<b>115,064</b>

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
<b>Changes during the year</b>		
Beginning of year	115,064	57,722
Recognised in the income statement	13,936	57,342
<b>End of year</b>	<b>129,000</b>	<b>115,064</b>

### Deferred tax assets

The recognised tax asset comprises only from differences between the accounting value and the tax value from assets. There is no tax loss. The recognised tax assets therefore expects to be utilised within the next years.

## 10 Prepayments

Prepayments consist of prepaid expenses insurance premiums and subscriptions.

## 11 Non-current liabilities other than provisions

	<b>Due after more than 12 months 2023 DKK</b>
Debt to other credit institutions	52,127,013
	<b>52,127,013</b>

All of the debt to other credit institutions is due within 5 years.

## 12 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where FFW Group ApS serves as the administration company. 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 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

## 13 Related parties with controlling interest

Jakala S.P.A. S.B owns all shares in the Entity, thus exercising control.

## 14 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

### **15 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
Jakala S.P.A. S.B

Copies of the consolidated financial statements of Jakala S.P.A. S.B. may be ordered at the following address:

Jakala S.P.A. S.B.  
Corso Di Porta Romana 15  
201-2 Milano  
Italy

# Accounting policies

## Reporting class

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

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

## Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

## 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.

## Income statement

### Gross profit or loss

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

### 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.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds.

**Cost of sales**

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

**Other external expenses**

Other external expenses include expenses relating to the Entity's normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

**Income from investments in group enterprises**

Income from investments in group enterprises comprises dividends etc received from the individual group enterprises in the financial year.

**Other financial income**

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

**Balance sheet****Property, plant and equipment**

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

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 measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

### **Receivables**

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

### **Contract work in progress**

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

Each contract in progress is recognised in the balance sheet in receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

### **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.

### **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.



**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.

**Joint taxation contributions payable or receivable**

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

**Cash flow statement**

Referring to section 86(4) of the Danish Financial Statements Act, the Entity has prepared no cash flow statement as such statement is included in the consolidated cash flow statement of Jakala S.P.A. S.B.