



## **Autorola Group Holding A/S**

Skibhusvej 52 A, st.  
5000 Odense C  
CVR No. 29193509

## **Annual report 2023**

The Annual General Meeting adopted the annual report on 18.03.2024

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**Peter Grøftehaug**

Chairman of the General Meeting

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# Entity details

## Entity

Autorola Group Holding A/S

Skibhusvej 52 A, st.

5000 Odense C

Business Registration No.: 29193509

Registered office: Odense

Financial year: 01.01.2023 - 31.12.2023

## Board of Directors

Peter Grøftehauge

Peter Bisgaard

Michael Vilhelm Nielsen

## Executive Board

Peter Grøftehauge

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Tværkajen 5

P. O. Box 10

5100 Odense

# Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Autorola Group Holding A/S 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 consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows 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.

Odense, 18.03.2024

## Executive Board

**Peter Grøftehauge**

## Board of Directors

**Peter Grøftehauge**

**Peter Bisgaard**

**Michael Vilhelm Nielsen**

# Independent auditor's report

## To the shareholders of Autorola Group Holding A/S

### Opinion

We have audited the consolidated financial statements and the parent financial statements of Autorola Group Holding A/S 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, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the consolidated financial statements and the parent financial statements

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

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

### Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in

Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

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

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

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

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

Management is responsible for the management commentary.

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

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

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

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

Odense, 18.03.2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

**Per Krause Therkelsen**

State Authorised Public Accountant

Identification No (MNE) mne19698

# Management commentary

## Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Key figures</b>					
Revenue	1,041,479	688,620	561,998	408,374	367,722
Gross profit/loss	405,140	312,830	273,858	244,880	219,806
Operating profit/loss	101,686	74,285	67,636	56,667	35,654
Net financials	9,741	241	(1,175)	(1,170)	(2,559)
Profit/loss for the year	83,284	59,046	51,612	42,260	23,045
Profit for the year excl. minority interests	64,149	48,407	43,903	35,550	18,524
Balance sheet total	469,644	457,430	351,116	320,341	291,196
Investments in property, plant and equipment	24,000	28,233	48,642	14,410	6,383
Equity	96,646	177,713	130,490	109,035	72,148
Equity excl. minority interests	78,581	163,704	121,006	100,598	67,598
Cash flows from operating activities	85,413	105,165	103,518	4,900	73,829
Cash flows from investing activities	3,708	(36,597)	(55,777)	(25,220)	(17,856)
Cash flows from financing activities	(142,416)	(4,973)	(22,455)	(665)	(6,000)
<b>Ratios</b>					
Gross margin (%)	38.90	45.43	48.73	59.96	59.78
Net margin (%)	8.00	8.57	9.18	10.35	6.27
Return on equity (%)	52.95	34.00	39.62	42.27	30.31
Equity ratio (%)	16.73	35.79	34.46	31.40	23.21

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

### Gross margin (%):

$\frac{\text{Gross profit/loss}}{\text{Revenue}} * 100$

Revenue

### Net margin (%):

$\frac{\text{Profit/loss for the year}}{\text{Revenue}} * 100$

Revenue



**Return on equity (%):**

$\frac{\text{Profit/loss for the year excl. minority interests} * 100}{\text{Average equity excl. minority interests}}$

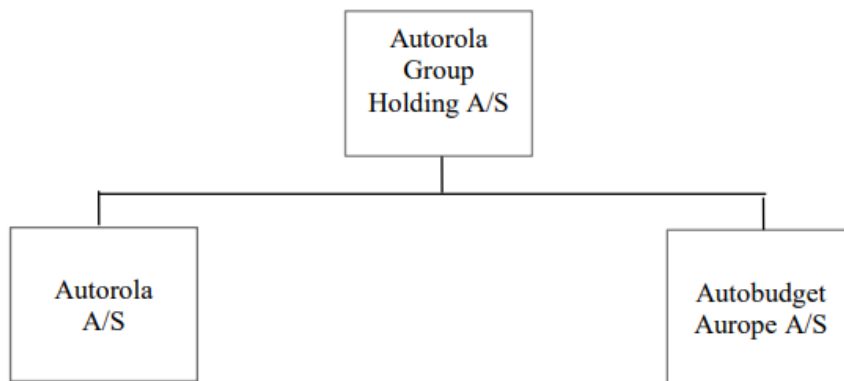
Average equity excl. minority interests

**Equity ratio (%):**

$\frac{\text{Equity excl. minority interests} * 100}{\text{Balance sheet total}}$

Balance sheet total

**Group chart:**



### Primary activities

Autorola delivers vehicle auction IT systems, vehicle fleet management IT systems and IT systems for market insights to the automobile business. The IT systems are mainly developed at Autorola headquarters in Denmark and sold and implemented through Autorola subsidiaries.

Please refer to our homepage <http://www.autorolagroup.com/> for a description of main product lines.

### Vehicle auction system

The vehicle auction system offers a process for describing a vehicle and register it to an auction. The vehicle is then published to an international set of buyers and sold in an auction process. Autorola invoices buyer and seller a transaction fee for the sold car. The vehicle auction system offers the buyer and seller facilities to follow the sales process real time.

### Vehicle fleet management system

The vehicle fleet management system offers fleet owners to handle the process from reception of the vehicle to final disposal. Vehicles on the fleet management system can easily be registered on auction.

### Market insights

By investigating online market data Autorola can derive insights on market days' supply, prices and trends.

### Development in activities and finances

This year's financial performance shows a profit after tax of DKK 83,284k. The balance sheet at 31 December 2023 shows an equity amount of DKK 96,646k and a balance sheet total of DKK 469,644k

Effective December 1st, 2023, Peter Grøftehauge has acquired 100 percent ownership of Autorola Group via his personal owned Holding company.

In this context, dividends from Autorola Group Holding A/ S have been distributed and there has been a transfer of the company Autorola Ejendomme ApS to company outside the group.

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

The performance for 2023 has been considered satisfactory, surpassing the outlook and expectations set for the year, thanks to robust growth in specific markets such as Turkey, Denmark, France, and Germany. All business divisions, including Marketplace, Solution, and Indicata, contributed to revenue growth. Despite this, the Solution and Indicata units have yet to achieve positive outcomes, continuing to invest heavily. Meanwhile, the Marketplace division maintained its profitability at levels consistent with previous years.

### Uncertainty relating to recognition and measurement

There have been no material uncertainties or material unusual matters affecting recognition.

### Unusual circumstances affecting recognition and measurement

There have not been any unusual circumstances during the year.

### Outlook

For the coming year, an increased profit is to be expected. Profit before tax is expected to reach between DKK 120-150m.

Looking ahead to 2024, the automotive industry faces shifting dynamics.

Supply Rebound: OEM supply chains have rebounded, and traditional manufacturers now have excess production capacity to fill.

Electric Vehicle Regulations: Government regulations on electric vehicles are driving an oversupply into the market, even before genuine consumer demand fully materializes.

New Market Entrants: Companies like Tesla and various Chinese OEMs are introducing additional supply, aiming to capture market share through competitive pricing.

However, there's a mismatch: while the supply side expands, consumer demand is suppressed by inflation and rising interest rates. This realignment is putting downward pressure on used vehicle prices, requiring a 10-20% adjustment to return to pre-pandemic levels. Large fleets are struggling to offload vehicles at inflated prices.

The industry is shifting toward a "buyer's market," which could benefit Astorola. Additionally, environmental regulations and evolving OEM sales strategies will create a volatile landscape where Astorola Group can provide crucial support to dealers, OEMs, and fleet owners facing challenges.

### Knowledge resources

#### Astorola values

All employees in Astorola are proud to present themselves with three core values, the 3R's:

**Result:** Produce results by adding value through everything you do. Honoring your part of the organizations mission and making a positive difference

**Responsibility:** Take responsibility by carrying your share of the load, having a positive attitude, and helping others to success – doing what is right. Mistakes cannot be avoided but should never be hidden.

**Respect:** Show respect for your co-workers, your customers, your organization and its resources and yourself.

In addition to our Astorola values we are currently in the process of defining our Astorola working values centered around the good employee, the good leader and good communication. All employees across Astorola group have had the opportunity to be a part of the process of defining Astorola working values through workshops and soon to come a group wide questionnaire to choose the top 5 working values within the areas of good employeeship, good leadership and good communication.

#### Staff

At Astorola, we prioritize supporting the well-being and work-life balance of our employees. We offer flexible work arrangements and health insurance to ensure their needs are met. We also conduct exit interviews for all employees leaving Astorola and encourage open dialogue between all levels of the organization. In addition, we conduct an annual employee satisfaction survey to ensure we are meeting our employees' needs. We recognize the contributions of our long-term employees by celebrating their anniversaries.

Moreover, we are committed to the continuous personal and professional development of our employees. We encourage community engagement initiatives, such as providing paid time off for blood donations to all employees. Our organization prioritizes ethical business practices and transparency in all operations to build trust and foster accountability with all stakeholders.

#### Supporting the community

With our organisation's roots coming from a Danish family business, a sense of community runs through our corporate DNA.

We exercise social responsibility by introducing and nurturing fresh talent into our organisation, via our work

experience scheme. The scheme has been successful for several years, with some individuals being offered permanent placements after their studies have concluded.

We collaborate with the local municipality to offer internships and short-term job placements for employees who are currently outside the job market.

We also recognize the efforts carried out by our subsidiaries to support good causes and charities, with annual events being held by our subsidiaries and paid time off in DK for those who wish to donate blood.

Internally staff morale is nurtured by various social clubs, who organised events and activities, with management's full backing and support.

## **Environmental performance**

### **Sustainability goals**

Astorola is committed to minimizing our impact on the environment, promoting social equity, and ensuring economic sustainability. Our sustainability goals focus on areas where we believe we can make the most significant impact:

**Sustainable transportation:** Astorola advocates for the use of electric and hybrid vehicles and promotes active transportation. As our customer base is located worldwide, we encourage online training and support whenever feasible. In situations where traveling is necessary, Astorola supports the use of public transportation as much as possible, for the greatest benefit.

**Sustainable sourcing:** Astorola is committed to considering the environmental, social, and economic impact of our procurement processes. We carefully choose who we collaborate with and where we source our goods and services from. For instance, when selecting employee Christmas presents, we prioritize local suppliers and those who share our commitment to corporate social responsibility.

**Social equity:** Astorola aims to ensure diversity and inclusion in hiring practices, promotions, and leadership roles within the organization. We are working on implementing measures to reduce biases and increase transparency in recruitment and advancement processes. Our workplace culture is very inclusive and respectful, and it promotes cultural awareness and sensitivity among employees.

### **Protecting the environment**

In addition to our specific sustainability goals, Astorola is committed to reducing our environmental impact in various other areas. As a company that provides lean services in the automotive industry, we naturally require less movement of vehicles, thereby reducing emissions.

Furthermore, we have significantly reduced our power consumption by hosting our services in the cloud and have minimized paper consumption by providing employees with online knowledge sharing systems. We also promote recycling and energy conservation in our offices to minimize our environmental footprint.

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

### **Introduction**

The Astorola Group's Corporate Social Responsibility (CSR) policy outlines practices put in place to uphold the core values of the Group within our corporate eco-system and towards the wide environment.

Aurora Group Core Values (Aurora's 3 Rs):

- Results-oriented
- Responsibility
- Respect

This policy applies to the Aurora Group and its subsidiaries. It may also refer to suppliers and partners. We aim to be a responsible organisation that meets the highest standards of ethics and professionalism. Our company's social responsibility falls under two categories: compliance and proactiveness. Compliance refers to our company's commitment to legality and willingness to observe community values. Proactiveness is every initiative to protect the environment, respect human rights, nurture our workforce and ensure we operate in an open and transparent environment.

Our company will:

- Respect the law
- Honor its internal policies
- Ensure that all its business operations are legitimate
- Keep every partnership and collaboration open and transparent

We will always conduct business with integrity and respect to human rights. We will promote:

- Safety and fair dealing
- Respect towards the consumer
- Anti-bribery and anti-corruption practices

### **Particular risks**

This section assesses the risk on social conditions, human rights, environment and anti-corruption from Aurora operation is business model.

### **Social and employee conditions**

Aurora does not, by executing its business model, impose any relevant risk to social conditions. We believe that our policies and processes within this area are a safeguard should a situation nevertheless occur.

### **Respecting Human Rights**

Aurora is present with a subsidiary in Turkey which has a problematic view on human rights. It is our believe that by doing business with Turkey we influence the business community with human rights values and hereby provide our small contribution to improve human rights in Turkey.

### **Environmental and climate conditions**

Aurora is not a production company in any way, so we are not using resources or generating waste that can influence the environment or climate. Aurora influences the environment and climate by flying employees around the world and from have a high-power consumption from hosting a large server farm in the cloud. The risk can be reduced by putting pressure on our Cloud supplier to implement their 100% renewable energy faster and by reducing number of flights.

### **Protection against corruption**

The management of Aurora is aware for the possibility of corruption and bribery. The highest risk of fraud is by

handling vehicles outside Autorola systems and processes and hereby providing an employee a personal financial benefit. This risk is mitigated through controlling, through HQ supervision and information campaigns.

### **Results from CSR work during 2023**

The main results from working with CSR in 2023 are:

1. Continue to improve the implementation of the General Data Protection Regulation of the 25th of May 2018 which ensure the rights of the data subject
2. Implementing 100% cloud based IT infrastructure for maximum power consumption efficiency
3. The Autorola Group has no knowledge of any cases of corruption in the Group
4. Implemented whistle blower system throughout the Group

### **Respecting human rights**

Our company is dedicated to protecting human rights. We are a committed equal opportunity employer and will abide by all fair labour practices. We will ensure that our activities do not directly or indirectly violate human rights in any country.

In practice we have made sure that our employee contracts are compliant with national legislation and labour practices.

### **Data protection**

Autorola has implemented strong governance policies and practices, including risk management, ethics, compliance, and data protection. The company is fully prepared to meet the regulatory requirements of the EU General Data Protection Regulation (GDPR) and has a dedicated GDPR taskforce to ensure data protection rights of employees, business partners, and customers are upheld.

### **Anti-slavery and human trafficking policy**

We are committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains. We expect the same high standards from all of our contractors, suppliers and other business partners, and as part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same high standards.

This policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners.

### **Anti-corruption**

Bribery and corruption are criminal offenses in many jurisdictions for both the individual and employer. The Autorola Group is committed to the prevention, deterrence and detection of bribery and all other corrupt business practices.

The Autorola Group has built a trustworthy and highly credible reputation as a leading global operator of remarketing and provider of software solutions. Our reputation, credibility and business ethics are of great importance and have come about by years of hard work by all our employees. This is one of our most important assets and of significant strategic advantage to our business.

The Autorola Group has adopted a zero-tolerance approach towards any breaches of this policy, and this is fully supported by the Autorola Group Executive Board. This is internally implemented through our Anti-corruption

and bribery policy and externally through our products and services, which provide full transparency of processes and assets, to our vendors and buyers.

The Astorola Group has no knowledge of any cases of corruption in the Group.

### Whistleblower

At Astorola we want our employees to operate in an open, transparent and safe working environment where employees feel able to speak up and report any serious and/or sensitive concerns in a responsible and confidential manner. Issues such as corruption, theft, fraud, bribery or unethical behavior can all have a negative impact on the business if left unchecked.

Astorola has implemented a Group Whistleblower service.

By having in place a policy and procedure for dealing with whistleblowing, we will demonstrate that information being brought to the attention of management is welcomed and actioned upon before any damage is incurred to our business or its reputation.

### Statutory report on the underrepresented gender

	2023	2022	2021	2020	2019
<b>Supreme management body</b>					
Total number of members	3	4	4	4	5
Underrepresented gender (%)	0.00	0.00	0.00	0.00	20.00
Target figures (%)	10.00	10.00	10.00	10.00	10.00
Year of expected achievement of target figures	2025	2025	2022	2022	2021

Astorola seeks to reflect the diversity of society around us and operate in an environment of inclusivity, and therefore does not tolerate discrimination based upon grounds such as; gender, age, race, disability, sexual orientation, gender reassignment, color, ethnic or national origin, religion or belief, marriage or civil partnership, pregnancy and maternity, or membership or non-membership of trade unions. This forms part of the Group's Recruitment Policy, which is implemented throughout our organization. We are focused on benchmarking all employee benefits and to recruit more women we are considering benefits considerably valued by female employees such as maternity leave.

Operating within the automotive and IT industry, Astorola recognizes that historically the industry does not adequately reflect the gender balance within society. Astorola believes that the best dynamic is obtained by having not only the most qualified and talented candidates for the job, but also a more equal gender composition across all levels of the company. Therefore, Astorola aims to ensure above.

Gender diversity in the supreme management is unchanged compared to last year because current board members have sufficient qualifications to ensure proper management. The goal to include more diversity within the board stays same. Over the coming years more diversity in the board is expected.

This objective is obtained by implementing the Policy to ensure underrepresented gender in management which states the following principles:

1. During the recruiting work ensure that a specific gender is not excluded in any way.
2. During the work with recruitment companies and recruitment professionals ensure that it is stated precisely that the group of candidates should include both genders.
3. Female employees experience equal career opportunities and equal opportunities for obtaining a management position, as their male co-workers.

**2023****Other management levels**

Total number of members	24
Underrepresented gender (%)	8.33
Target figures (%)	12.50
Year of expected achievement of target figures	2025

**Statutory report on data ethics policy**

The policy for data ethics is implemented on a daily basis by the information security group working with the trinity information security, GDPR and data ethics. The work is carried out in practice via the group's knowledge of the data and the projects carried out in Autorola. The group is involved in new projects at an early stage in order to include information security, GDPR and data ethics in the design phase as early as possible.

Autorola's 3 business areas are all about vehicles. The data we process is typically the vehicle's description and condition, the value of a vehicle as well as the status of a vehicle in a fleet owner process. Autorola also processes "user" data in order to provide users with the most optimal user experience possible.

It is an important principle for Autorola that we try to minimize the information we receive from partners as well as otherwise collect to include only exactly what is needed to perform the transaction in the best possible way. In every project where we receive or otherwise collect data, we will try to minimize the amount of information. This work is performed in the development departments under the "privacy by default and design" processes.

At Autorola, we continuously assess whether the authority we have for the collection and use of data is still valid. If a user has given consent for us to collect usage data on a system, this data is not used to optimize other systems or even to do marketing against the person.

Autorola uses advanced technology such as artificial intelligence to recognize vehicles so we can provide a more accurate treatment. This system is not known to persons as owners, buyers or users and is used exclusively for advanced vehicle identification.

The information security group continuously teaches the organization concepts such as data minimization, privacy by default design and code of conduct.

**Events after the balance sheet date**

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



# Consolidated income statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Revenue	2	1,041,479	688,620
Other operating income		3,384	3,866
Cost of sales		(527,508)	(298,794)
Other external expenses	3	(112,215)	(80,862)
<b>Gross profit/loss</b>		<b>405,140</b>	<b>312,830</b>
Staff costs	4	(280,582)	(218,063)
Depreciation, amortisation and impairment losses	5	(22,872)	(20,482)
<b>Operating profit/loss</b>		<b>101,686</b>	<b>74,285</b>
Other financial income	6	13,284	3,188
Other financial expenses	7	(3,543)	(2,947)
<b>Profit/loss before tax</b>		<b>111,427</b>	<b>74,526</b>
Tax on profit/loss for the year	8	(28,143)	(15,480)
<b>Profit/loss for the year</b>	9	<b>83,284</b>	<b>59,046</b>

# Consolidated balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK'000	2022 DKK'000
Acquired intangible assets		45,162	36,091
<b>Intangible assets</b>	10	<b>45,162</b>	<b>36,091</b>
Land and buildings		0	42,509
Other fixtures and fittings, tools and equipment		34,369	29,223
<b>Property, plant and equipment</b>	11	<b>34,369</b>	<b>71,732</b>
<b>Fixed assets</b>		<b>79,531</b>	<b>107,823</b>
Manufactured goods and goods for resale		15,998	10,249
<b>Inventories</b>		<b>15,998</b>	<b>10,249</b>
Trade receivables		136,699	97,009
Receivables from group enterprises		161	0
Deferred tax	12	4,003	3,849
Other receivables		129,194	82,061
Tax receivable		10,215	725
Prepayments	13	9,593	5,166
<b>Receivables</b>		<b>289,865</b>	<b>188,810</b>
Other investments		7	6
<b>Investments</b>		<b>7</b>	<b>6</b>
<b>Cash</b>		<b>84,243</b>	<b>150,542</b>
<b>Current assets</b>		<b>390,113</b>	<b>349,607</b>
<b>Assets</b>		<b>469,644</b>	<b>457,430</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023</b> <b>DKK'000</b>	<b>2022</b> <b>DKK'000</b>
Contributed capital	14	500	500
Retained earnings		78,081	163,204
<b>Equity belonging to Parent's shareholders</b>		<b>78,581</b>	<b>163,704</b>
<b>Equity belonging to minority interests</b>		<b>18,065</b>	<b>14,009</b>
<b>Equity</b>		<b>96,646</b>	<b>177,713</b>
Deferred tax	12	9,204	7,829
<b>Provisions</b>		<b>9,204</b>	<b>7,829</b>
Bank loans	15	45,990	40,632
Prepayments received from customers		6,218	4,940
Trade payables		205,933	158,908
Payables to owners and management		72	3
Tax payable		10,760	7,603
Other payables		94,821	59,802
<b>Current liabilities other than provisions</b>		<b>363,794</b>	<b>271,888</b>
<b>Liabilities other than provisions</b>		<b>363,794</b>	<b>271,888</b>
<b>Equity and liabilities</b>		<b>469,644</b>	<b>457,430</b>
Events after the balance sheet date	1		
Fair value information	17		
Contingent assets	18		
Contingent liabilities	19		
Assets charged and collateral	20		
Transactions with related parties	21		
Group relations	22		
Subsidiaries	23		

# Consolidated statement of changes in equity for 2023

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed extraordinary dividend DKK'000	Equity belonging to Parent's shareholders DKK'000	Equity belonging to minority interests DKK'000
Equity beginning of year	500	163,204	0	163,704	14,009
Ordinary dividend paid	0	0	0	0	(6,608)
Extraordinary dividend paid	0	0	(141,165)	(141,165)	0
Exchange rate adjustments	0	(8,107)	0	(8,107)	(8,471)
Profit/loss for the year	0	(77,016)	141,165	64,149	19,135
<b>Equity end of year</b>	<b>500</b>	<b>78,081</b>	<b>0</b>	<b>78,581</b>	<b>18,065</b>
					<b>Total DKK'000</b>
Equity beginning of year					177,713
Ordinary dividend paid					(6,608)
Extraordinary dividend paid					(141,165)
Exchange rate adjustments					(16,578)
Profit/loss for the year					83,284
<b>Equity end of year</b>					<b>96,646</b>

# Consolidated cash flow statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Operating profit/loss		101,686	74,285
Amortisation, depreciation and impairment losses		19,892	16,616
Working capital changes	16	(12,447)	28,870
<b>Cash flow from ordinary operating activities</b>		<b>109,131</b>	<b>119,771</b>
Financial income received		13,552	3,188
Financial expenses paid		(3,811)	(2,947)
Taxes refunded/(paid)		(33,459)	(14,847)
<b>Cash flows from operating activities</b>		<b>85,413</b>	<b>105,165</b>
Acquisition etc. of intangible assets		(24,567)	(17,754)
Acquisition etc. of property, plant and equipment		(26,678)	(29,327)
Sale of property, plant and equipment		54,953	10,484
<b>Cash flows from investing activities</b>		<b>3,708</b>	<b>(36,597)</b>
<b>Free cash flows generated from operations and investments before financing</b>		<b>89,121</b>	<b>68,568</b>
Dividend paid		(147,773)	(2,748)
Change in short term bank loans		5,357	(2,225)
<b>Cash flows from financing activities</b>		<b>(142,416)</b>	<b>(4,973)</b>

<b>Increase/decrease in cash and cash equivalents</b>	<b>(53,295)</b>	<b>63,595</b>
Cash and cash equivalents beginning of year	150,542	94,217
Currency translation adjustments of cash and cash equivalents	(13,004)	(7,270)
<b>Cash and cash equivalents end of year</b>	<b>84,243</b>	<b>150,542</b>
Cash and cash equivalents at year-end are composed of:		
Cash	84,243	150,542
<b>Cash and cash equivalents end of year</b>	<b>84,243</b>	<b>150,542</b>

# Notes to consolidated financial statements

## 1 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.

## 2 Revenue

	<b>2023</b>	<b>2022</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Revenue from fee and license activity	656,916	498,316
Revenue from sale of cars	384,563	190,304
<b>Total revenue by activity</b>	<b>1,041,479</b>	<b>688,620</b>

## 3 Fees to the auditor appointed by the Annual General Meeting

	<b>2023</b>	<b>2022</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Statutory audit services	1,703	1,516
Other assurance engagements	394	363
Other services	8,794	2,213
	<b>10,891</b>	<b>4,092</b>

## 4 Staff costs

	<b>2023</b>	<b>2022</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Wages and salaries	226,682	175,441
Pension costs	8,377	7,157
Other social security costs	35,533	27,483
Other staff costs	9,990	7,982
	<b>280,582</b>	<b>218,063</b>

Average number of full-time employees	<b>648</b>	<b>555</b>
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	<b>Remuneration of management 2023 DKK'000</b>	<b>Remuneration of management 2022 DKK'000</b>
Total amount for management categories	4,123	4,121
	<b>4,123</b>	<b>4,121</b>

**5 Depreciation, amortisation and impairment losses**

	<b>2023</b>	<b>2022</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Amortisation of intangible assets	15,410	13,894
Depreciation on property, plant and equipment	7,462	6,588
	<b>22,872</b>	<b>20,482</b>

**6 Other financial income**

	<b>2023</b>	<b>2022</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Other financial income	13,284	3,188
	<b>13,284</b>	<b>3,188</b>

**7 Other financial expenses**

	<b>2023</b>	<b>2022</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Other financial expenses	3,543	2,947
	<b>3,543</b>	<b>2,947</b>

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

	<b>2023</b>	<b>2022</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Current tax	25,128	14,619
Change in deferred tax	1,692	106
Adjustment concerning previous years	103	12
Refund in joint taxation arrangement	1,220	743
	<b>28,143</b>	<b>15,480</b>

**9 Proposed distribution of profit/loss**

	<b>2023</b>	<b>2022</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Retained earnings	64,149	48,407
Minority interests' share of profit/loss	19,135	10,639
	<b>83,284</b>	<b>59,046</b>



## 10 Intangible assets

	<b>Acquired intangible assets DKK'000</b>
Cost beginning of year	207,541
Exchange rate adjustments	(98)
Additions	24,542
Disposals	(385)
<b>Cost end of year</b>	<b>231,600</b>
Amortisation and impairment losses beginning of year	(171,450)
Exchange rate adjustments	68
Amortisation for the year	(15,410)
Reversal regarding disposals	354
<b>Amortisation and impairment losses end of year</b>	<b>(186,438)</b>
<b>Carrying amount end of year</b>	<b>45,162</b>

## 11 Property, plant and equipment

	<b>Land and buildings DKK'000</b>	<b>Other fixtures and fittings, tools and equipment DKK'000</b>
Cost beginning of year	43,267	47,140
Exchange rate adjustments	0	(3,140)
Additions	323	23,677
Disposals	(43,590)	(13,321)
<b>Cost end of year</b>	<b>0</b>	<b>54,356</b>
Depreciation and impairment losses beginning of year	(758)	(17,917)
Exchange rate adjustments	0	477
Depreciation for the year	(644)	(6,818)
Reversal regarding disposals	1,402	4,271
<b>Depreciation and impairment losses end of year</b>	<b>0</b>	<b>(19,987)</b>
<b>Carrying amount end of year</b>	<b>0</b>	<b>34,369</b>

## 12 Deferred tax

	<b>2023 DKK'000</b>	<b>2022 DKK'000</b>
Tax losses carried forward	3,939	3,635
Other taxable temporary differences	(9,140)	(7,615)
<b>Deferred tax</b>	<b>(5,201)</b>	<b>(3,980)</b>

	<b>2023</b>	<b>2022</b>
<b>Changes during the year</b>	<b>DKK'000</b>	<b>DKK'000</b>
Beginning of year	(3,980)	(4,006)
Recognised in the income statement	(1,221)	26
<b>End of year</b>	<b>(5,201)</b>	<b>(3,980)</b>

	<b>2023</b>	<b>2022</b>
<b>Deferred tax has been recognised in the balance sheet as follows</b>	<b>DKK'000</b>	<b>DKK'000</b>
Deferred tax assets	4,003	3,849
Deferred tax liabilities	(9,204)	(7,829)
	<b>(5,201)</b>	<b>(3,980)</b>

#### Deferred tax assets

Based on the budgets, Management has found it probable that there will be future taxable profits against which unutilised tax losses can be deducted.

### 13 Prepayments

Prepayments relate to prepaid expenses.

### 14 Contributed capital

	<b>Number</b>	<b>Par value</b>	<b>Nominal</b>
		<b>DKK'000</b>	<b>value</b>
			<b>DKK'000</b>
A-aktier	5,000	0,1	500
	<b>5,000</b>		<b>500</b>

There has been no changes in the contributed capital in the last 5 years.

### 15 Bank loans

The group is part of a cash pool agreement managed by Autorola A/S.

The currency exposure in the cash pool agreement is as follows:

Cash-pool accounts in DKK pr. 31. december 2023	(60.142) t.kr.
Cash-pool accounts in EUR pr. 31. december 2023	14.708 t.kr.
Cash-pool accounts in NOK pr. 31. december 2023	584 t.kr.
Cash-pool accounts in SEK pr. 31. december 2023	1.241 t.kr.
Cash-pool accounts in PLN pr. 31. december 2023	90 t.kr.
<b>Total</b>	<b>(43.519) t.kr.</b>

### 16 Changes in working capital

	2023	2022
	DKK'000	DKK'000
Increase/decrease in inventories	(12,019)	9,932
Increase/decrease in receivables	(90,090)	(49,644)
Increase/decrease in trade payables etc.	89,662	68,582
	<b>(12,447)</b>	<b>28,870</b>

### 17 Fair value information

	Other investments DKK'000
Fair value end of year	7
Unrealised fair value adjustments recognised in the income statement	2

### 18 Contingent assets

The Group has contingent assets consisting of unrecognised deferred tax assets of DKK 7,280k

### 19 Contingent liabilities

The Group has the following contingent liabilities

The rental obligation amounts to DKK 40.919k.

Lease commitments amount to DKK 947k.

Other obligations amounts to DKK 569k.

Autorola A/S is subjected to an ongoing transfer pricing tax audit in Denmark. The tax authorities have sent their decision for the years 2016 to 2018, in which the Danish taxable income has been increased by DKK 29,744 thousand to DKK 26,323 thousand. Autorola has complained to the Danish National Tax Tribunal about the tax authorities' decision for 2016 to 2018. If Autorola, contrary to expectation, loses the case at the Danish National Tax Tribunal, the foreign subsidiaries' taxable incomes may be reduced correspondingly, and therefore, the cost of losing at the Danish National Tax Tribunal will only be the payment of interest. The tax authorities' final decision on this tax audit is still pending for the following years, and we are continuing our discussions with them. The Danish Tax Agency has included an increase in income for the years subject to the tax audit in their proposed

assessment. However, while the final assessment could result in a higher income, the exact amount is still unknown. The transfer pricing model applied and the elements affecting this transfer pricing model are still being discussed. Nevertheless, Management of the Autorola Group still finds that the applied model aligns with the arm's length principle. The Autorola Group can request a corresponding decrease abroad if the ongoing tax audit results in an increase in the taxable income in Denmark. Autorola assesses that the case outcome will not significantly affect its financial position, but if the outcome differs from expectations, it could potentially affect its results and equity.

## 20 Assets charged and collateral

All bank debt has been secured by a company charge of DKK 28,000k. Carrying amount of mortgaged assets is DKK 232,228k at 31 December 2023.

Intangible assets	DKK 45.162k
Property, plant and equipment	DKK 34.369k
Inventories	DKK 15.998k
Trade receivables	DKK 136.699k
Total	<b>DKK 232.228k</b>

## 21 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, although we refer to the ongoing transfer pricing audit in Denmark, as mentioned above.

## 22 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
PG Development ApS, Odense

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Autorola Group Holding A/S, Odense

## 23 Subsidiaries

	Registered in	Corporate form	Ownership %
Autorola A/S	Denmark	A/S	100.00
Autobudget Europe A/S	Denmark	A/S	100.00
Autocom A/S	Denmark	A/S	100.00
Autorola GmbH	Germany	GmbH	100.00
Autorola Limited	England	Ltd.	100.00
Autorola BV	Netherlands	BV	100.00
Autorola Spain S.L.	Spain	S.L.	100.00
Autorola BVBA	Belgium	BVBA	100.00
Autorola GmbH (AT)	Austria	GmbH	100.00
Autorola S.r.L.	Italy	S.r.L.	100.00
S.VV Autorola France	France	SAS	100.00
Autorola s.r.o.	Czech Republic	s.r.o	100.00
Autorola Sp. z o.o.	Poland	z o.o.	100.00
Autorola Pty Ltd.	Australia	Pty Ltd.	100.00
Autorola AB	Sweden	AB	100.00
Autorola Oy	Finland	Oy	100.00
Leilonline, Unipessoal, Lda.	Portugal	Lda.	100.00
Autorola Brasil Leiloes	Brazil	Ltda.	100.00
Autorola AS	Norway	AS	100.00
Autorola de Mexico S.A. de C.V.	Mexico	C.V.	100.00
Autotola Motorlu Araclar Ticarete A.S.	Turkey	A.S.	51.00
Autorola Middle East Limited	UAE	Limited	100.00
Autorola MENA Holding Limited	UAE	Limited	50.00

# Parent income statement for 2023

		2023	2022
	Notes	DKK'000	DKK'000
Other external expenses		(13,112)	(549)
<b>Gross profit/loss</b>		<b>(13,112)</b>	<b>(549)</b>
Income from investments in group enterprises		77,284	49,005
Other financial expenses	2	(244)	(218)
<b>Profit/loss before tax</b>		<b>63,928</b>	<b>48,238</b>
Tax on profit/loss for the year	3	221	169
<b>Profit/loss for the year</b>	4	<b>64,149</b>	<b>48,407</b>

# Parent balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK'000	2022 DKK'000
Investments in group enterprises		100,236	163,459
<b>Financial assets</b>	5	<b>100,236</b>	<b>163,459</b>
<b>Fixed assets</b>		<b>100,236</b>	<b>163,459</b>
Receivables from group enterprises		0	1,923
Other receivables		106	131
Tax receivable		19,993	7,534
<b>Receivables</b>		<b>20,099</b>	<b>9,588</b>
<b>Cash</b>		<b>832</b>	<b>354</b>
<b>Current assets</b>		<b>20,931</b>	<b>9,942</b>
<b>Assets</b>		<b>121,167</b>	<b>173,401</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023</b> <b>DKK'000</b>	<b>2022</b> <b>DKK'000</b>
Contributed capital		500	500
Reserve for net revaluation according to equity method		56,391	137,614
Retained earnings		6,690	25,590
Proposed dividend for the financial year		15,000	0
<b>Equity</b>		<b>78,581</b>	<b>163,704</b>
Payables to group enterprises		23,335	3,565
Tax payable		6,315	6,031
Other payables		12,936	101
<b>Current liabilities other than provisions</b>		<b>42,586</b>	<b>9,697</b>
<b>Liabilities other than provisions</b>		<b>42,586</b>	<b>9,697</b>
<b>Equity and liabilities</b>		<b>121,167</b>	<b>173,401</b>

Events after the balance sheet date	1
Employees	6
Contingent liabilities	7
Assets charged and collateral	8
Related parties with controlling interest	9
Transactions with related parties	10



# Parent statement of changes in equity for 2023

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed extraordinary dividend DKK'000	Proposed dividend for the year DKK'000
Equity beginning of year	500	137,614	25,590	0	0
Extraordinary dividend paid	0	0	0	(141,165)	0
Exchange rate adjustments	0	(8,107)	0	0	0
Profit/loss for the year	0	(73,116)	(18,900)	141,165	15,000
<b>Equity end of year</b>	<b>500</b>	<b>56,391</b>	<b>6,690</b>	<b>0</b>	<b>15,000</b>

	Total DKK'000
Equity beginning of year	163,704
Extraordinary dividend paid	(141,165)
Exchange rate adjustments	(8,107)
Profit/loss for the year	64,149
<b>Equity end of year</b>	<b>78,581</b>

Subsidiaries have proposed a dividend of a total of DKK 18 million, which is expected to be decided at the general meeting.

# Notes to parent financial statements

## 1 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.

## 2 Other financial expenses

	2023 DKK'000	2022 DKK'000
Financial expenses from group enterprises	243	216
Other interest expenses	1	2
	<b>244</b>	<b>218</b>

## 3 Tax on profit/loss for the year

	2023 DKK'000	2022 DKK'000
Current tax	(162)	(169)
Adjustment concerning previous years	(59)	0
	<b>(221)</b>	<b>(169)</b>

## 4 Proposed distribution of profit and loss

	2023 DKK'000	2022 DKK'000
Ordinary dividend for the financial year	15,000	0
Extraordinary dividend distributed in the financial year	141,165	0
Retained earnings	(92,016)	48,407
	<b>64,149</b>	<b>48,407</b>

## 5 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	25,845
<b>Cost end of year</b>	<b>25,845</b>
Revaluations beginning of year	137,614
Exchange rate adjustments	(8,107)
Share of profit/loss for the year	77,284
Dividend	(132,400)
<b>Revaluations end of year</b>	<b>74,391</b>
<b>Carrying amount end of year</b>	<b>100,236</b>

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

## 6 Employees

The Entity has no employees other than the Executive Board. The Executive Officer has not received any remuneration.

## 7 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement until 29.11.2023. The Entity participates in a Danish joint taxation arrangement where PG Development ApS serves as the administration company hereafter. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

Astorola A/S is subjected to an ongoing transfer pricing tax audit in Denmark. The tax authorities have sent their decision for the years 2016 to 2018, in which the Danish taxable income has been increased by DKK 29,744 thousand to DKK 26,323 thousand. Astorola has complained to the Danish National Tax Tribunal about the tax authorities' decision for 2016 to 2018. If Astorola, contrary to expectation, loses the case at the Danish National Tax Tribunal, the foreign subsidiaries' taxable incomes may be reduced correspondingly, and therefore, the cost of losing at the Danish National Tax Tribunal will only be the payment of interest. The tax authorities' final decision on this tax audit is still pending for the following years, and we are continuing our discussions with them. The Danish Tax Agency has included an increase in income for the years subject to the tax audit in their proposed assessment. However, while the final assessment could result in a higher income, the exact amount is still unknown. The transfer pricing model applied and the elements affecting this transfer pricing model are still being discussed. Nevertheless, Management of the Astorola Group still finds that the applied model aligns with the arm's length principle. The Astorola Group can request a corresponding decrease abroad if the ongoing tax audit results in an increase in the taxable income in Denmark. Astorola assesses that the case outcome will not significantly affect its financial position, but if the outcome differs from expectations, it could potentially affect its results and equity.

## 8 Assets charged and collateral

The Company has guaranteed the group entities' bank loans. The guarantee is unlimited. The loans total DKK 109.262k at 31 December 2023.

All bank debt has been secured by a company charge of DKK 28,000k. Carrying amount of mortgaged assets is DKK 0k at 31 December 2023.

## 9 Related parties with controlling interest

Marvel ApS owns all shares in the entity, thus exercising control. PG Development ApS owns all shares in Marvel ApS, thus exercising control over Marvel ApS.

## 10 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, although we refer to the ongoing transfer pricing audit in Denmark, as mentioned above.

# Accounting policies

## Reporting class

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

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

## Hyperinflation in Turkey

The company has operations in Turkey. Turkish Lira is a hyperinflationary currency. The Danish Financial Statement Act includes no requirements or guidance for inflation adjustments to the financial statements. Consequently, the Turkish operations are included in the consolidated financial statements following the same principles as prior years and hence, no inflation adjustment has been applied. In case inflation adjustment was applied based on IAS 29, Financial Reporting in Hyperinflationary Economies, the equity would have been adjusted approximately 2,2 mDKK for the group by 31 December 2023. The equity for the parent by 31 December 2023 would have been adjusted approximately 1,1 mDKK.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

## Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for

consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

### **Profit or loss from divestment of enterprises**

Profits or losses from divestment or winding-up of enterprises are calculated as the difference between selling price or settlement price and the carrying amount of the net assets at the time of divestment and winding-up, respectively.

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in translation reserve in equity.

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

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

### **Income statement**

#### **Revenue**

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

**Other operating income**

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

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. If conditions are attached to the grant which must be satisfied before the group is eligible to receive the contribution.

**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 ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

**Staff costs**

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

**Depreciation, amortisation and impairment losses**

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

**Income from investments in group enterprises**

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

**Other financial income**

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

**Other financial expenses**

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

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

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

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning

tax losses).

## Balance sheet

### Intellectual property rights etc.

Intellectual property rights acquired consist of software measured at cost less accumulated amortisation. The rights are amortised on a straight-line basis over the estimated useful life. The amortisation period is 5 years, however, not more than the residual life of the rights concerned. In some cases, the amortisation period may be up to 10 years if the longer amortisation period is found to better reflect the Company's benefit from the product developed etc.

Software in the Aurora Group is proprietary intelligent Java-based software for our global online vehicle auctions as well as a proprietary platform for the management of the stocks of used vehicles. The amortisation period for software is 3-10 years.

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

### Property, plant and equipment

Land and buildings, tther 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: Buildings, 50 years. Other fixtures and fittings, tools and equipment, 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.

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and the carrying amount at the time of sale. Profits or losses are recognised in the income statement as an adjustment to amortisation and impairment losses.

### Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve

for net revaluation according to the equity method in equity.

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

### **Inventories**

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

Cost consists of purchase price plus delivery costs.

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

### **Receivables**

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

### **Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

### **Tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

### **Prepayments**

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

### **Other investments (current assets)**

Other current asset investments comprise listed securities measured at fair value (market price) at the balance sheet date.

### **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.

### **Minority interests**

On initial recognition, minority interests are measured at the minority interests' share of the acquiree's net assets measured at fair value. No goodwill related to the minority interests' equity interests in the acquiree is recognised.

### **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.

**Cash flow statement**

The cash flow statement of the Group is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year. No separate cash flow statement has been prepared for the Parent as it is included in the consolidated cash flow statement.

Cash flows from acquisition and divestment of enterprises are shown separately under cash flows from investing activities. Cash flows from acquired enterprises are recognised in the cash flow statement from the time of their acquisition, and cash flows from divested enterprises are recognised up to the time of sale.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

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

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank debt.