
Unisport Scandinavia ApS

Korshøjvej 2, DK-8600 Silkeborg

Annual Report for 1 January - 31 December 2020

CVR No 30 27 73 25

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
26/2 2021

Morten Chrone
Chairman of the General
Meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	7
Balance Sheet 31 December	8
Statement of Changes in Equity	10
Notes to the Financial Statements	11

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Unisport Scandinavia ApS for the financial year 1 January - 31 December 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and of the results of the Company operations for 2020.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Silkeborg, 26 February 2021

Executive Board

Stig Mose Henriksen
CEO

Board of Directors

Morten Chrone
Chairman

Independent Auditor's Report

To the Shareholder of Unisport Scandinavia ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Unisport Scandinavia ApS for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

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 misstate-

Independent Auditor's Report

ment, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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

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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events

Independent Auditor's Report

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.

Trekantområdet, 26 February 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Ulrik Ræbild
State Authorized Public Accountant
mne33262

Lasse Berg
State Authorized Public Accountant
mne35811

Company Information

The Company

Unisport Scandinavia ApS
Korshøjvej 2
DK-8600 Silkeborg
Website: www.unisport.com/da

CVR No: 30 27 73 25
Financial period: 1 January - 31 December
Incorporated: 13 February 2007
Financial year: 13rd financial year
Municipality of reg. office: Silkeborg

Board of Directors

Morten Chrone, Chairman

Executive Board

Stig Mose Henriksen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Herredsvej 32
DK-7100 Vejle

Management's Review

Key activities

The company develops, produces and installs sports facility projects for indoor and outdoor activities, primarily in Denmark, but also in cooperation with its sister companies in Norway, Finland and Sweden. The company is ultimately owned by Vaaka Partners, that owns the group Unisport Saltex OY.

Development in the year

The income statement of the Company for 2020 shows a loss of DKK 15,195,377, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 1,127,652.

During the financial year 2020 the parent company has converted their debt to equity and given a tax-free group contribution, in total amounting to DKK 18.3 million in order to strengthen the Company's capital resources.

Capital resources

The Company has received a letter of support from its parent company to enable the Company to meet any liabilities as they fall due. The letter of support is valid until 22 February 2022.

On this basis management has chosen to prepare the annual report on the basis of going concern.

Subsequent events

In January 2021 Unisport-Saltex Group restructured its activities from former based on country organization to a business unit organisations (based on customer solutions).

This has caused a need for laying off some functions in the Danish company which in the future will be handled centrally in the Group.

No other material events affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2020 DKK	2019 DKK
Gross profit/loss		9.357.893	12.620.307
Staff expenses	3	-23.443.608	-24.364.667
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	4	-661.661	-1.763.816
Other operating expenses		-54.162	0
Profit/loss before financial income and expenses		-14.801.538	-13.508.176
Financial income		71.990	0
Financial expenses	5	-465.829	-471.378
Profit/loss before tax		-15.195.377	-13.979.554
Tax on profit/loss for the year		0	0
Net profit/loss for the year		-15.195.377	-13.979.554

Distribution of profit

Proposed distribution of profit

Retained earnings	-15.195.377	-13.979.554
	-15.195.377	-13.979.554

Balance Sheet 31 December

Assets

	Note	2020 DKK	2019 DKK
Goodwill		369.402	738.798
Intangible assets	6	369.402	738.798
Other fixtures and fittings, tools and equipment		307.252	456.271
Leasehold improvements		0	99.765
Property, plant and equipment	7	307.252	556.036
Deposits		277.390	220.024
Fixed asset investments		277.390	220.024
Fixed assets		954.044	1.514.858
Inventories		5.229.644	5.595.535
Trade receivables		14.330.818	12.682.472
Contract work in progress	8	3.123.522	1.401.659
Receivables from group enterprises		1.183.825	1.232.330
Prepayments		287.904	201.434
Receivables		18.926.069	15.517.895
Cash at bank and in hand		0	372.999
Currents assets		24.155.713	21.486.429
Assets		25.109.757	23.001.287

Balance Sheet 31 December

Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		125.000	125.000
Retained earnings		1.002.652	-2.109.845
Equity		1.127.652	-1.984.845
Other provisions		5.271.658	728.041
Provisions		5.271.658	728.041
Other payables, long-term		1.899.404	820.054
Long-term debt		1.899.404	820.054
Credit institutions		0	1.470.377
Trade payables		6.929.861	4.559.901
Contract work in progress, liabilities	8	4.912.560	4.703.894
Payables to group enterprises		668.938	7.255.065
Other payables		4.299.684	5.448.800
Short-term debt		16.811.043	23.438.037
Debt		18.710.447	24.258.091
Liabilities and equity		25.109.757	23.001.287
Going concern	1		
Subsequent events	2		
Contingent assets, liabilities and other financial obligations	9		
Related parties	10		
Accounting Policies	11		

Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	125.000	-2.109.845	-1.984.845
Contribution from group	0	18.307.874	18.307.874
Net profit/loss for the year	0	-15.195.377	-15.195.377
Equity at 31 December	125.000	1.002.652	1.127.652

Notes to the Financial Statements

1 Going concern

The Company has received a letter of support from its parent company to enable the Company to meet any liabilities as they fall due. The letter of support is valid until 22 February 2022.

On this basis management has chosen to prepare the annual report on the basis of going concern.

2 Subsequent events

In January 2021 Unisport-Saltex Group restructured its activities from former based on country organization to a business unit organisations (based on customer solutions).

This has caused a need for laying off some functions in the Danish company which in the future will be handled centrally in the Group.

No other material events affecting the assessment of the Annual Report have occurred after the balance sheet date.

3 Staff expenses

	2020 DKK	2019 DKK
Wages and salaries	20.846.622	21.425.406
Pensions	1.549.590	1.659.501
Other social security expenses	438.758	500.850
Other staff expenses	608.638	778.910
	23.443.608	24.364.667
Average number of employees	37	39

4 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Amortisation of intangible assets	369.396	1.192.692
Depreciation of property, plant and equipment	292.265	571.124
	661.661	1.763.816

Notes to the Financial Statements

	2020 DKK	2019 DKK
5 Financial expenses		
Interest paid to group enterprises	111.856	88.905
Other financial expenses	154.297	288.253
Exchange adjustments, expenses	199.676	94.220
	465.829	471.378
6 Intangible assets		
		Goodwill DKK
Cost at 1 January		6.666.594
Cost at 31 December		6.666.594
Impairment losses and amortisation at 1 January		5.927.796
Amortisation for the year		369.396
Impairment losses and amortisation at 31 December		6.297.192
Carrying amount at 31 December		369.402
Amortisation period		5 years

Notes to the Financial Statements

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Total DKK
Cost at 1 January	1.732.182	124.702	1.856.884
Additions for the year	186.345	0	186.345
Disposals for the year	-115.640	-124.702	-240.342
Cost at 31 December	1.802.887	0	1.802.887
Impairment losses and depreciation at 1 January	1.275.911	24.937	1.300.848
Depreciation for the year	271.485	20.780	292.265
Impairment and depreciation of sold assets for the year	-51.761	-45.717	-97.478
Impairment losses and depreciation at 31 December	1.495.635	0	1.495.635
Carrying amount at 31 December	307.252	0	307.252
Depreciated over	3-8 years	5 years	

8 Contract work in progress

	2020 DKK	2019 DKK
Selling price of work in progress	40.900.239	36.965.045
Payments received on account	-42.689.277	-40.267.280
	-1.789.038	-3.302.235
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	3.123.522	1.401.659
Prepayments received recognised in debt	-4.912.560	-4.703.894
	-1.789.038	-3.302.235

Notes to the Financial Statements

	2020 DKK	2019 DKK
9 Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	1.416.928	1.387.775
Between 1 and 5 years	3.148.504	2.618.363
	4.565.432	4.006.138
Obligation to designate buyer, operating leases. Expected residual value on expiry of lease	72.500	305.000
Lease obligations, period of non-terminability 3-9 months	414.354	709.381

There are no other security and contingent liabilities at 31 December 2020.

10 Related parties

	Basis
Controlling interest	
Unisport-Saltex OY	Parent Company

Notes to the Financial Statements

11 Accounting Policies

The Annual Report of Unisport Scandinavia ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

11 Accounting Policies (continued)

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Notes to the Financial Statements

11 Accounting Policies (continued)

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Balance Sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings,	
tools and equipment	3-8 years
Leasehold improvements	5 years

Notes to the Financial Statements

11 Accounting Policies (continued)

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments consist of deposits.

Inventories

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Receivables

Receivables are measured in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Notes to the Financial Statements

11 Accounting Policies (continued)

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-3 years. Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Notes to the Financial Statements

11 Accounting Policies (continued)

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.