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# *HB Køge A/S*

Ved Stadion 4, DK-4600 Køge

## Annual Report for 2023

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CVR No. 32 27 77 48

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 23/4 2024

Martin Skovbjerg  
Chairman of the  
general meeting



# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Practitioner's Extended Review Report	2
<b>Management's Review</b>	
Company information	4
Management's Review	5
<b>Financial Statements</b>	
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 HB Køge A/S for the financial year 1 January - 31 December 2023.

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 2023 of the Company and of the results of the Company operations for 2023.

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.

Køge, 5 April 2024

## Executive Board

Per Rud  
Manager

## Board of Directors

Søren Storgaard  
Chairman

Michael Hartvig Jensen

Jens Birkebæk Rasmussen

Hans Hytteballe Andersen

Steen Fladberg Nielsen

Lennert Bo Hansen

Brian Hansen

Jason Arnold

# Independent Practitioner's Extended Review Report

To the shareholder of HB Køge A/S

## Conclusion

We have performed an extended review of the Financial Statements of HB Køge A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

## Basis for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Management's responsibility for the Financial Statements

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

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

## Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

## Statement on Management's Review

Management is responsible for Management's Review.

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

# Independent Practitioner's Extended Review Report

In connection with our extended review 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 extended review, 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.

Hellerup, 5 April 2024

**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab  
CVR No 33 77 12 31

Flemming Eghoff  
State Authorised Public Accountant  
mne30221

Mads Blichfeldt Fjord  
State Authorised Public Accountant  
mne46065

## Company information

<b>The Company</b>	HB Køge A/S Ved Stadion 4 DK-4600 Køge  Telephone: 56 27 60 21 Website: <a href="http://www.hbkoge.dk">www.hbkoge.dk</a>  CVR No: 32 27 77 48 Financial period: 1 January - 31 December Incorporated: 30 June 2009 Financial year: 14th financial year Municipality of reg. office: Køge
<b>Board of Directors</b>	Søren Storgaard, chairman Michael Hartvig Jensen Jens Birkebæk Rasmussen Hans Hytteballe Andersen Steen Fladberg Nielsen Lennert Bo Hansen Brian Hansen Jason Arnold
<b>Executive Board</b>	Per Rud
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

# Management's review

## Key activities

The main activity has consisted of operating HB Køge's professional department.

## Development in the year

The swans' wings over bay of Køge resonated when we became champions of the Gjensidige Kvindeliga for the third year in a row. A great milestone that has really put HB Køge on the map of Danish football as title favorites in Denmark. It is something that obliges, but we are proud that we could once again wear the gold medals.

The men's team finished in 8th place in a very strong NordicBet League, which is becoming more and more professional year after year and is also attracting increased attention from home and abroad. For the women's team, it was a final term for head coach Søren Randa-Boldt, who ended a great period after an impressive run of two consecutive championships. The men's team also said goodbye to the coaching duo Daniel Agger and Lars Jakobsen, who had two seasons in HB Køge with 7th and 8th place finishes for the club. Thanks to all the outgoing coaches for their wholehearted efforts for our club. Kim Daugaard was subsequently promoted to head coach of the women's team and Nicklas Pedersen, who has led the U17 Division team to two U17 Championships, was promoted to new head coach of the men's NordicBet Liga team.

At the same time, a new strategy was rolled out with a focus on further developing home-grown players in the men's first team, and the autumn has shown that the talent pool is very large in the club. Despite expected sporting difficulties, there is great confidence and support that the strategy is the right one for HB Køge. It's great to see local talent representing our first team.

It has also been an exciting year with the development of Køge Stadium. A large-scale and impressive expansion of existing facilities to the great benefit of the development of both grassroots and elite football in the area. The next steps have begun, with the next groundbreaking set for the 1st of May 2024, which will naturally cause some problems for the next 18 months. However, we are convinced that the development of Køge Stadium will be extremely beneficial for HB Køge and the neighboring clubs in the longer term.

On the sponsorship and event side, the club continues to have great support from the business community in the region, and we are extremely grateful for this support. It is not a something we take for granted, and we are constantly working to create the best framework for trade and networking and developing upon our experiences behind the network in HB Køge.

Financially, we have adapted our business to ensure responsible operations. The previous mentioned investment in our own talents, further structuring outside the pitch and, not least, cost-conscious behavior make us better equipped for the future. We must be in it for the long run, and we must do this with a solid financial foundation.

As in previous years, the club's majority owner George Altirs has supported the club very positively and ensured that the many projects have been realized. From HB Køge, we owe a big thank you to the support that the club has from the Capelli Sport ownership.

The result for the year shows a profit of 1.4 million which was in line with the expectations. The Company's equity is negative by 5.2 million. Management expect's to reestablish the equity through future earnings.

# Management's review

## Capital resources

The company has per 31 December 2023 lost more than 50% of the share capital, which is why the company is covered by the capital loss rules in the Danish Companies Act.

The management expects that the company's share capital can be re-established through the future operating earnings.

The company's budget for 2023 shows that the activity for the coming year can be carried out with the current liquidity and the liquidity generated via operations for 2024 including continuing support from the Company's majority shareholder. Reference is also made to Note 1.

## Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

## Unusual events

The financial position at 31 December 2023 of the Company and the results of the activities and cash flows of the Company for the financial year for 2023 have not been affected by any unusual events.

## Subsequent events

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



## Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
<b>Gross profit</b>		<b>28,971,978</b>	<b>33,015,842</b>
Staff expenses	2	-26,817,955	-31,296,585
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-571,826	-969,151
Other operating expenses		-7,004	-55,216
<b>Profit/loss before financial income and expenses</b>		<b>1,575,193</b>	<b>694,890</b>
Financial income		1,786	0
Financial expenses		-211,719	-121,603
<b>Profit/loss before tax</b>		<b>1,365,260</b>	<b>573,287</b>
Tax on profit/loss for the year		0	0
<b>Net profit/loss for the year</b>		<b>1,365,260</b>	<b>573,287</b>
 <b>Distribution of profit</b>			
		2023	2022
		DKK	DKK
<b>Proposed distribution of profit</b>			
Retained earnings		1,365,260	573,287
		<b>1,365,260</b>	<b>573,287</b>

## Balance sheet 31 December

### Assets

	Note	2023	2022
		DKK	DKK
Acquired licenses		81,394	31,980
Acquired other similar rights		148,531	147,977
<b>Intangible assets</b>	<b>3</b>	<b>229,925</b>	<b>179,957</b>
Other fixtures and fittings, tools and equipment		103,032	259,571
Leasehold improvements		991,419	904,931
<b>Property, plant and equipment</b>	<b>4</b>	<b>1,094,451</b>	<b>1,164,502</b>
Deposits		1,416,298	1,329,898
<b>Fixed asset investments</b>		<b>1,416,298</b>	<b>1,329,898</b>
<b>Fixed assets</b>		<b>2,740,674</b>	<b>2,674,357</b>
Finished goods and goods for resale		16,000	16,000
<b>Inventories</b>		<b>16,000</b>	<b>16,000</b>
Trade receivables		948,839	1,962,397
Other receivables		1,378,435	977,378
Prepayments		0	114,966
<b>Receivables</b>		<b>2,327,274</b>	<b>3,054,741</b>
Cash at bank and in hand		214,247	1,002,247
<b>Current assets</b>		<b>2,557,521</b>	<b>4,072,988</b>
<b>Assets</b>		<b>5,298,195</b>	<b>6,747,345</b>

## Balance sheet 31 December

### Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		656,250	656,250
Retained earnings		-5,863,833	-7,229,093
<b>Equity</b>		<b>-5,207,583</b>	<b>-6,572,843</b>
Payables to group enterprises		0	1,633,017
Other payables		1,426,007	1,404,933
<b>Long-term debt</b>	5	<b>1,426,007</b>	<b>3,037,950</b>
Trade payables		5,648,127	5,307,687
Other payables	5	2,712,983	3,741,958
Deferred income		718,661	1,232,593
<b>Short-term debt</b>		<b>9,079,771</b>	<b>10,282,238</b>
<b>Debt</b>		<b>10,505,778</b>	<b>13,320,188</b>
<b>Liabilities and equity</b>		<b>5,298,195</b>	<b>6,747,345</b>
Going concern	1		
Contingent assets, liabilities and other financial obligations	6		
Accounting Policies	7		

## Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January	656,250	-7,229,093	-6,572,843
Net profit/loss for the year	0	1,365,260	1,365,260
<b>Equity at 31 December</b>	<b>656,250</b>	<b>-5,863,833</b>	<b>-5,207,583</b>

# Notes to the Financial Statements

## 1. Going concern

The Company gained a profit of 1.4 million DKK in 2023 which was in line with the expectations set out in the annual report for 2022.

The Company's equity is negative by 5.2 million as of 31 December 2023. Management expects, due to Company's continuing focus on cost efficiencies combined with the strategy established in 2022 with greater focus on homegrown talents, that Company will be profitable in 2024.

Further, the Company's majority shareholder and a third party has provided letters of support as well as subordination of existing and future loans for third party lenders, ensuring the needed liquidity for the Company during 2024 to repay its obligations when they fall due.

On this basis, Management assesses that the Company's liquidity resources are sufficient to continue the operations during 2024 and meet the Company's obligations when they fall due. As a result, the Annual report is prepared under the going concern assumption.

	2023	2022
	DKK	DKK
<b>2. Staff Expenses</b>		
Wages and salaries	24,744,008	28,360,368
Pensions	1,046,490	1,299,672
Other social security expenses	621,232	596,834
Other staff expenses	406,225	1,039,711
	<b>26,817,955</b>	<b>31,296,585</b>
Average number of employees	<b>63</b>	<b>72</b>

## 3. Intangible fixed assets

	Acquired licenses	Acquired other similar rights
	DKK	DKK
Cost at 1 January	31,980	1,603,798
Additions for the year	67,686	134,167
Cost at 31 December	<b>99,666</b>	<b>1,737,965</b>
Impairment losses and depreciation at 1 January	0	1,455,821
Depreciation for the year	18,272	133,613
Impairment losses and depreciation at 31 December	<b>18,272</b>	<b>1,589,434</b>
Carrying amount at 31 December	<b>81,394</b>	<b>148,531</b>

# Notes to the Financial Statements

## 4. Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improve- ments
	DKK	DKK
Cost at 1 January	573,221	1,203,334
Additions for the year	0	349,888
Cost at 31 December	<u>573,221</u>	<u>1,553,222</u>
Impairment losses and depreciation at 1 January	313,650	298,403
Depreciation for the year	156,539	263,400
Impairment losses and depreciation at 31 December	<u>470,189</u>	<u>561,803</u>
<b>Carrying amount at 31 December</b>	<b><u>103,032</u></b>	<b><u>991,419</u></b>
	<u>2023</u>	<u>2022</u>
	DKK	DKK

## 5. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

### Payables to group enterprises

After 5 years	0	0
Between 1 and 5 years	0	1,633,017
Long-term part	0	1,633,017
Within 1 year	0	0
	<u>0</u>	<u>1,633,017</u>

### Other payables

After 5 years	0	0
Between 1 and 5 years	1,426,007	1,404,933
Long-term part	1,426,007	1,404,933
Other short-term payables	2,712,983	3,741,958
	<u>4,138,990</u>	<u>5,146,891</u>

## Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
<b>6. Contingent assets, liabilities and other financial obligations</b>		
<b>Rental and lease obligations</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	1,723,283	652,963
Between 1 and 5 years	8,554,042	8,549,858
After 5 years	23,089,898	26,368,703
	<u>33,367,223</u>	<u>35,571,524</u>

# Notes to the Financial Statements

## 7. Accounting policies

The Annual Report of HB Køge A/S for 2023 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 2023 are presented in DKK.

### Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

### 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.

### 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.

#### Direct expenses

Direct expenses primarily include operating expenses for the year.

#### Other external expenses

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



# Notes to the Financial Statements

## Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, direct expenses and other external expenses.

## Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

## 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, including gains and losses on the sale of intangible assets and property, plant and equipment.

## 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.

## Balance sheet

### Intangible fixed assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding year.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

### 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:

3-10 years

5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

# Notes to the Financial Statements

## **Impairment of fixed assets**

The carrying amounts of intangible assets and property, plant and equipment and investments 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.

## **Other fixed asset investments**

Other fixed asset investments consist of

## **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.

## **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

## **Prepayments**

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

## **Financial liabilities**

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

## **Deferred income**

Deferred income comprises payments received in respect of income in subsequent years.