

Advania Danmark A/S

Marielundvej 46D
2730 Herlev
Denmark

CVR no. 32 64 34 85

Annual report 2022

The annual report was presented and approved at
the Company's annual general meeting on

26 June 2023

Lilja Brynja Skúladóttir

Chairman of the annual general meeting

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Advania Danmark A/S
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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Advania Danmark A/S for the financial year 1 January – 31 December 2022.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Herlev, 26 June 2023
Executive Board:

Sten Mortensen

Board of Directors:

Gestur Gestsson
Chairman

Erik Mikael Karlsson
Noaksson

Lilja Brynja Skúladóttir

Hege Støre

Henrik Foyen-Laukvik

Independent auditor's report

To the shareholder of Advania Danmark A/S

Opinion

We have audited the financial statements of Advania Danmark A/S for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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

Independent auditor's report

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

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

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 of the Management's review.

Copenhagen, 26 June 2023

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Jesper Bo Pedersen
State Authorised
Public Accountant
mne42778

Advania Danmark A/S
Annual report 2022
CVR no. 32 64 34 85

Management's review

Company details

Advania Danmark A/S
Marielundvej 46D
2730 Herlev
Denmark

CVR no.:	32 64 34 85
Established:	26 November 2009
Registered office:	Herlev
Financial year:	1 January – 31 December

Board of Directors

Gestur Gestsson, Chairman
Erik Mikael Karlsson Noaksson
Lilja Brynja Skúladóttir
Hege Støre
Henrik Foyn-Laukvik

Executive Board

Sten Mortensen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Annual general meeting

The annual general meeting will be held on 26 June 2023.

Management's review

Financial highlights

DKK	2022	2021	2020	2019	2018
Key figures					
Gross profit/loss	54,072,226	49,521,815	22,870,676	23,166,213	22,136,415
Profit/loss before financial income and expenses	9,423,672	16,906,632	2,118,766	5,813,991	5,119,215
Profit/loss from financial income and expenses	-397,718	-301,039	-207,044	-161,012	142,111
Profit/loss for the year	7,098,201	12,944,218	1,459,550	4,381,747	4,283,507
Balance sheet					
Total assets	71,595,422	65,860,070	49,484,263	46,916,235	40,938,410
Equity	27,101,927	27,003,726	17,603,657	16,272,682	16,791,331
Investment in property, plant and equipment	1,274,653	2,113,456	759,812	531,510	2,703,000
Ratios					
Return on invested capital	21.10%	39.30%	7.00%	34.40%	24.00%
Current ratio	145.75%	149.50%	128.74%	141.57%	157.07%
Return on equity	26.24%	58.04%	8.62%	26.50%	26.08%
Solvency ratio	37.85%	41.00%	35.57%	34.68%	41.02%

The financial ratios have been calculated as follows:

The key figures and ratios for 2018 have been restated due to the merger between Kompetera A/S and Kompetera Solutions ApS (now Advania Danmark A/S). Genia ApS has been merged into Advania Denmark as of 1st January 2021. The comparative figures from 2018-2020 has not been adjusted.

Return on invested capital
$$\frac{\text{Operating profit/loss} \times 100}{\text{Average invested capital}}$$

Current ratio
$$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$$

Return on equity
$$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$$

Solvency ratio
$$\frac{\text{Equity ex. non-controlling interests at year-end} \times 100}{\text{Total equity and liabilities at year-end}}$$

Management's review

Operating review

Principal activities

Advania Danmark A/S operates within wholesale trade of computers, peripherals, software etc., as well as consultancy, hosting and support services and other related business.

Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK 7,098,201 as against DKK 12,944,218 in 2021. Equity in the Company's balance sheet at 31 December 2022 stood at DKK 27,101,927 as against DKK 27,003,726 at 31 December 2021.

The past year and follow-up on last year's expected development

For the financial year 2022, the Company expected a result before tax of between DKK 15-17 million, which was not reached.

The year 2022 had been targeted to be a growth year, for which reason the Company had accepted larger fixed costs compared to 2021, e.g. in the form of salary. As the revenue targets was not reached, the higher cost resulted in a lower result than expected.

Particular risks

Operating Risks

The general uncertainty in the world with war in Ukraine, significant higher interest rates, high inflation is a risk that this will affect the Company's results negatively if clients cease the positive development and consequently puts large projects and investments on hold.

Financial risks

Currency risks

Only a small part of the Company's activity is carried out in another currency, which is why the risk is limited. The Company does not enter into speculative currency transactions. Price risks thus relate to the operating activities, which is mainly not hedged.

Liquidity risks

Advania Danmark A/S is currently self-financing; hence the liquidity risks are very limited.

Outlook

The impact of many uncertainties in the world makes it hard to predict how the market will develop in 2023. The Company expects that despite the current issues, we will see a market that will normalize as part of the projects cannot be postponed but will have to be executed.

Therefore, the Company expects that the effect of the expansions will be seen in 2023 and a revenue increase of approx. 20% is expected.

Management's review

Operating review

Knowledge resources

In order to constantly be able to sell high-quality products as well as provide high-quality service and advice, it is crucial that the company can recruit and retain employees with the necessary level of education.

Environmental matters

There is no particular environmental impact from the Company's activity.

Uncertainty regarding recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual circumstances

The financial position at 31 December 2022 of the Company and the results of the activities of the Company for the financial year for 2022 have not been affected by any unusual events other than described in the section "The past year and follow-up on last year's expected development".

Events after the balance sheet date

After the end of the financial year, no events have occurred that could significantly affect the company's financial position.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2022	2021
Gross profit		54,072,226	49,521,815
Staff costs	2	-42,276,678	-30,181,438
Depreciation, amortisation and impairment losses		<u>-2,371,876</u>	<u>-2,433,745</u>
Profit before financial income and expenses		9,423,672	16,906,632
Other financial income	3	865,775	191,467
Other financial expenses	4	<u>-1,263,493</u>	<u>-492,506</u>
Profit before tax		9,025,954	16,605,593
Tax on profit for the year	5	<u>-1,927,753</u>	<u>-3,661,375</u>
Profit for the year	6	<u><u>7,098,201</u></u>	<u><u>12,944,218</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
ASSETS			
Fixed assets			
Intangible assets	7		
Goodwill		348,691	523,036
Software		<u>590,743</u>	<u>128,181</u>
		<u>939,434</u>	<u>651,217</u>
Property, plant and equipment	8		
Land and buildings		3,311,132	4,151,325
Fixtures and fittings, tools and equipment		<u>2,262,450</u>	<u>2,733,328</u>
		<u>5,573,582</u>	<u>6,884,653</u>
Investments	9		
Deposits		<u>348,521</u>	<u>339,702</u>
Total fixed assets		<u>6,861,537</u>	<u>7,875,572</u>
Current assets			
Inventories			
Finished goods and goods for resale		<u>3,443,212</u>	<u>2,561,926</u>
Receivables			
Trade receivables		44,113,883	39,814,018
Receivables from group entities		663,438	1,504,219
Other receivables		1,955,923	1,548,156
Prepayments	10	<u>741,775</u>	<u>620,626</u>
		<u>47,475,019</u>	<u>43,487,019</u>
Cash at bank and in hand		<u>13,815,654</u>	<u>11,935,553</u>
Total current assets		<u>64,733,885</u>	<u>57,984,498</u>
TOTAL ASSETS		<u><u>71,595,422</u></u>	<u><u>65,860,070</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital	11	2,125,000	2,125,000
Retained earnings		17,976,927	17,878,726
Proposed dividends for the financial year		<u>7,000,000</u>	<u>7,000,000</u>
Total equity		<u>27,101,927</u>	<u>27,003,726</u>
Provisions			
Provisions for deferred tax	12	<u>80,307</u>	<u>71,418</u>
Total provisions		<u>80,307</u>	<u>71,418</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Lease obligations	13	<u>2,972,708</u>	<u>3,901,384</u>
Current liabilities other than provisions			
Current portion of non-current liabilities	13	749,123	1,110,503
Banks, current liabilities		0	26,302
Trade payables		25,568,222	20,661,856
Payables to group entities		2,485,756	0
Corporation tax		1,972,201	4,050,115
Other payables		5,214,360	5,440,774
Deferred income	14	<u>5,450,818</u>	<u>3,593,992</u>
		<u>41,440,480</u>	<u>34,883,542</u>
Total liabilities other than provisions		<u>44,413,188</u>	<u>38,784,926</u>
TOTAL EQUITY AND LIABILITIES		<u>71,595,422</u>	<u>65,860,070</u>
Contractual obligations, contingencies, etc.	15		
Related party disclosures	16		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2022	2,125,000	17,878,726	7,000,000	27,003,726
Ordinary dividends paid	0	0	-7,000,000	-7,000,000
Transferred over the profit appropriation	0	98,201	7,000,000	7,098,201
Equity at 31 December 2022	2,125,000	17,976,927	7,000,000	27,101,927

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Advania Danmark A/S for 2022 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Advania AB.

Change in accounting policies

In May 2022, the IFRS Interpretation Committee (IFRS IC) formally published the final agenda decision providing guidance to principal versus agent assessment under IFRS 15 for Software Resellers. The new guidance provided by IFRS IC clarifies that the software reseller pre-sale advice (while important) is not an implicit promise in a contract with customer. At the time entering into a contract with the customer, the reseller has already provided the advice. There is no further advice to be provided by the reseller and the advice already provided will not be transferred to the customer after contract inception. Accordingly, the expectation of the customer that the reseller will transfer a good or service to the customer other than the software licenses. Based on a control assessment of the standard software license as the promised goods rather than a combination with implied promise of providing a service, arising from the new guidance, Advania has decided to reassess whether the company acts as a principal or an agent for transactions of software revenue without any other services provided.

Management concluded that Advania does not control the software licenses from the software provider before they are transferred to the customer and therefore acts as an agent on the software sales where no other services than presale advice are provided. Consequently, the company has revised its accounting policy for the software sales where no other services are provided and from 2022 accounting this as agent and recognizes revenue net of related costs. Prior period have been restated according to IAS 8 and the adjustment is 32.366.114 DKK. As the company only present gross profit the adjustment has no effect on other accounts.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Revenue is measured based on the consideration specified in contracts with customers. Revenue is recognised when control over goods or services are transferred to the customer. Revenue from sales of software licenses and rights to use software are recognized at the time the software is made available and can be used by the customer. Software license revenue where no other paid services are provided, are recognised as revenue net of related cost (agent revenue).

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Other operating income

Other operating income comprises items secondary to the activities of the Company, including gains on the disposal of intangible assets and property, plant and equipment.

Other external costs

Other external costs comprise costs of distribution, sales and advertising, administrative expenses, costs of premises, bad debts, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit 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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

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

The Company is jointly taxed with Danish Group Companies. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the individual business areas. The amortisation period is 5 years.

Software

Software are measured at cost less accumulated amortisation and impairment losses. Software are amortised on a straightline basis over the remaining estimated life. The amortisation period is 1-3 years.

Property, plant and equipment

Buildings and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	5-10 years
Fixtures and fittings, tools and equipment	3-5 years

Land is not depreciated.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Leases

On initial recognition, leases for fixed assets that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are recognised in the balance sheet at the lower of fair value and the net present value of future lease payments. When calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently treated as the Company's other fixed assets.

Leases are recognised in the balance sheet at the calculated amount of the lease liability. The lease liability is calculated at the present value of the lease payments calculated by applying the interest rate implicit in the lease or the Company's incremental borrowing rate as discount rate if the interest rate implicit in the lease is not available. Lease assets are depreciated and written down for impairment under the same policy as for the Company's other fixed assets

The lease liability is recognised in the balance sheet under debt and is adjusted for repayments of lease debt on a current basis. At the same time, interest is added on the liability. Interest expenses are charged to the income statement on a current basis.

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Investments

Deposits are recognised at amortised cost.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale are measured at cost, comprising purchase price plus delivery costs.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

The liability in relation to frozen holiday funds is measured at net realisable value, including indexation. Indexation adjustments are recognised as interest expense in the income statement.

Deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

Financial statements 1 January – 31 December

Notes

DKK	<u>2022</u>	<u>2021</u>
2 Staff costs		
Wages and salaries	38,897,712	28,771,277
Other social security costs	1,895,313	284,457
Other staff costs	<u>1,483,653</u>	<u>1,125,704</u>
	<u>42,276,678</u>	<u>30,181,438</u>
Average number of full-time employees	<u>51</u>	<u>41</u>
The Board of Directors does not receive a salary, participates only in a few meetings, is remunerated in other companies, and is not material.		
3 Other financial income		
Interest income from group entities	7,863	0
Other financial income	11,341	0
Exchange gains	<u>846,571</u>	<u>191,467</u>
	<u>865,775</u>	<u>191,467</u>
4 Other financial expenses		
Interest expense to group entities	335	0
Other financial costs	671,731	360,641
Exchange losses	<u>591,427</u>	<u>131,865</u>
	<u>1,263,493</u>	<u>492,506</u>
5 Tax on profit for the year		
Current tax for the year	1,932,458	3,657,434
Deferred tax for the year	8,889	3,941
Adjustment of tax concerning previous years	<u>-13,594</u>	<u>0</u>
	<u>1,927,753</u>	<u>3,661,375</u>
6 Proposed profit appropriation		
Proposed dividends for the year	7,000,000	7,000,000
Retained earnings	<u>98,201</u>	<u>5,944,218</u>
	<u>7,098,201</u>	<u>12,944,218</u>

Financial statements 1 January – 31 December

Notes

7 Intangible assets

DKK	<u>Goodwill</u>	<u>Software</u>	<u>Total</u>
Cost at 1 January 2022	871,726	231,526	1,103,252
Additions for the year	0	647,966	647,966
Cost at 31 December 2022	871,726	879,492	1,751,218
Amortisation and impairment losses at 1 January 2022	-348,690	-103,346	-452,036
Amortisation for the year	-174,345	-185,403	-359,748
Amortisation and impairment losses at 31 December 2022	-523,035	-288,749	-811,784
Carrying amount at 31 December 2022	348,691	590,743	939,434

8 Property, plant and equipment

DKK	<u>Land and buildings</u>	<u>Fixtures and fittings, tools and equipment</u>	<u>Total</u>
Cost at 1 January 2022	5,484,249	6,091,302	11,575,551
Additions for the year	0	1,245,498	1,245,498
Disposals for the year	0	-544,441	-544,441
Cost at 31 December 2022	5,484,249	6,792,359	12,276,608
Depreciation and impairment losses at 1 January 2022	-1,332,924	-3,357,974	-4,690,898
Depreciation for the year	-840,193	-1,368,539	-2,208,732
Reversed depreciation and impairment losses on assets sold	0	196,604	196,604
Depreciation and impairment losses at 31 December 2022	-2,173,117	-4,529,909	-6,703,026
Carrying amount at 31 December 2022	3,311,132	2,262,450	5,573,582
Assets held under finance leases	3,094,319	435,156	3,529,475

9 Investments

DKK	<u>Deposits</u>
Cost at 1 January 2022	339,702
Additions for the year	8,819
Cost at 31 December 2022	348,521
Carrying amount at 31 December 2022	348,521

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10 Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

11 Equity

The contributed capital consists of 2.125,000 shares of a nominal value of DKK 1 each.

All shares rank equally.

DKK	<u>31/12 2022</u>	<u>31/12 2021</u>
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12 Deferred tax

Deferred tax at 1 January	-71,418	-67,477
Deferred tax adjustment for the year in the income statement	<u>-8,889</u>	<u>-3,941</u>
	<u><u>-80,307</u></u>	<u><u>-71,418</u></u>

13 Non-current liabilities other than provisions

Liabilities other than provisions can be specified as follows:

Lease obligations:

0-1 years	749,123	1,110,503
1-5 years	2,628,503	3,570,966
>5 years	<u>344,205</u>	<u>330,418</u>
Total liabilities other than provisions	<u><u>3,721,831</u></u>	<u><u>5,011,887</u></u>

14 Deferred income

Deferred income of DKK 5,451 thousand (2021: DKK 3,594 thousand) comprise payments received from customers regarding service agreements, that cannot be recognised until the subsequent financial year.

15 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company participates in a Danish joint taxation arrangement with its parent company, Advania Holding. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for obligations, if any, relating to withholding tax on income taxes, interest, royalties and dividend for the jointly taxed companies.

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16 Related party disclosures

Advania Danmark A/S' related parties comprise the following:

Control

Advania Holding A/S, c/o Advania Danmark A/S, Marielundvej 46D, 2730 Herlev

Advania Holding A/S holds the majority of the contributed capital in the Company.

Advania Danmark A/S is part of the consolidated financial statements of Advania AB, Frederiksborgsgatan 24, 117 43 Stockholm, Sweden, which is the smallest and largest group, in which the Company is included as a subsidiary.

The consolidated financial statement of Advania AB can be obtained by contacting the Company at the address above.

Related party transactions

DKK	2022	2021
Sale of goods and services to group entities	2,519,917	1,047,296
Purchase of goods and services from group entities	1,709,199	1,650,689
	4,229,116	2,697,985

Receivables and payables to group entities are disclosed in the balance sheet, and interest income and expense are disclosed in note 3 and 4. Dividend is disclosed in Equity.