Grant Thornton

Grant Thornton
Statsautoriseret
Revisionspartnerselskab

Stockholmsgade 45
2100 København Ø
CVR-nr. 34209936

T (+45) 33 110 220

www.grantthornton.dk

Peter Justesen Holding A/S

Gribskovvej 2, 2., 2100 København Ø

Company reg. no. 33 77 42 57

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 30 June 2021.

Niels Kornerup
Chairman of the meeting

Contents

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of Peter Justesen Holding A/S for the financial year 1 January - 31 December 2020.

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

We consider the accounting policies appropriate and, in our opinion, the consolidated financial statements and the financial statements provide a fair presentation of the assets, equity and liabilities, and the financial position, consolidated and for the company, respectively, at 31 December 2020, and of the result of the activities, consolidated and of the company, respectively, during the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Copenhagen, 18 June 2021

Managing Director

Erik Justesen

Board of directors

Niels Kornerup Erik Justesen Ole Justesen

Independent auditor's report

To the shareholders of Peter Justesen Holding A/S

Opinion

We have audited the consolidated financial statements and the financial statements of Peter Justesen Holding A/S for the financial year 1 January to 31 December 2020, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies, consolidated and of the company, respectively and consolidated statement af cash flows. The consolidated financial statements and the financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the financial statements present a fair view of the assets, equity and liabilities, and financial position, consolidated and of the company, respectively, at 31 December 2020 and of the results of the company's activities, consolidated and of the company, respectivelyand of consolidated cash flows , for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the consolidated financial statements and the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Responsibilities of management and those charged with governance for the consolidated financial statements and the financial statements

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

In preparing the consolidated financial statements and the financial statements, management is responsible for assessing the group's and 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 unless management either intends to liquidate the group or the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

Auditor's responsibilities for the audit of the consolidated annual accounts and the financial statements

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

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and 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 the 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 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 preparation of the consolidated financial statements and the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the group's and 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 consolidated financial statements and 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 group and the company to cease to continue as a going concern.

Independent auditor's report

- Evaluate the overall presentation, structure, and contents of the consolidated financial statements and the financial statements, including disclosures in notes, and whether the consolidated financial statements and the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or the 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 the 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 financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the consolidated financial statements and the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the consolidated financial statements or the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management commentary is consistent with the consolidated financial statements and the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 18 June 2021

Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Claus Koskelin
State Authorised Public Accountant
mne30140

Company information

The company	Peter Justesen Holding A/S Gribskovvej 2, 2. 2100 København Ø	
	Company reg. no.	33 77 42 57
	Established:	28 June 2011
	Domicile:	Copenhagen
	Financial year:	1 January - 31 December
Board of directors	Niels Kornerup Erik Justesen Ole Justesen	
Managing Director	Erik Justesen	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	
Subsidiary	Peter Justesen Company A/S, Copenhagen	

Consolidated financial highlights

DKK in thousands.	2020	2019	2018	2017	2016
Income statement:					
Revenue	221.270	246.770	227.307	230.418	237.025
Gross profit	24.013	23.644	35.601	40.778	41.846
Profit from operating activities	-6.383	-10.706	-506	703	-3.289
Net financials	-2.492	-2.124	-1.787	-5.499	-1.558
Net profit or loss for the year	-6.151	-12.830	222	-4.796	-4.735
Statement of financial position:					
Balance sheet total	56.829	63.977	64.326	70.218	65.660
Investments in property, plant and equipment	25	129	249	119	35
Equity	-3.139	3.011	9.841	9.619	8.415
Cash flows:					
Operating activities	6.214	4.214	4.883	6.389	-2.917
Investing activities	-1.437	-9.198	-4.072	-2.667	-2.118
Financing activities	0	9.085	0	0	0
Total cash flows	4.777	4.101	811	3.722	-5.035
Employees:					
Average number of full-time employees	32	37	47	54	63
Key figures in %:					
Gross margin ratio	10,9	9,6	15,7	17,7	17,7
Profit margin (EBIT-margin)	-2,9	-4,3	-0,2	0,3	-1,4
Acid test ratio	79,5	81,3	90,1	-	-
Solvency ratio	-5,5	4,7	15,3	13,7	12,8
Return on equity	-	-199,7	2,3	-53,2	-43,9

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Gross margin ratio

$$\frac{\text{Gross profit x 100}}{\text{Revenue}}$$

Profit margin (EBIT margin)

$$\frac{\text{Operating profit or loss (EBIT) x 100}}{\text{Revenue}}$$

Consolidated financial highlights

Acid test ratio	$\frac{\text{Current assets x 100}}{\text{Short term liabilities other than provisions}}$
Solvency ratio	$\frac{\text{Equity, closing balance x 100}}{\text{Total assets, closing balance}}$
Return on equity	$\frac{\text{Net profit or loss for the year x 100}}{\text{Average equity}}$

Management commentary

The principal activities of the group
Like previous years, the company serves as parent company for Peter Justesen Company A/S.

The group offers original high quality Beverage, Luxury and Living products based on global consumer insights, unique service packages and attractive prices focusing on customers' individual needs.

The groups vision is to be the leading customer oriented and knowledge based supplier being the most cost-effective duty-free partner for diplomats, Embassies, duty free shops and organizations with dutyfree status.

Unusual circumstances
Changes have been made in comparative figures regarding capital increases and loans. Comparative figures are adapted to the changes. Please refer to the discussion in used accounting policies.

The change entails for the equity a change 3,085 Mio.DKK removed from capital increase to loans from business owners.

Development in activities and financial matters
The group generated a negative Net profit of -6,2 Mio.DKK. Net result of -6,2 Mio.DKK is far from being satisfactory.

Activity level was heavily impacted by Covid 19 which in all regions and channels had a negative impact on sales and profitability. Initiatives to compensate for lost sales have been initiated but not sufficient to compensate versus original plans and budgets.

Management considers the loss for the year as unsatisfactory although Covid 19 was a key driver and explanation for reduced sales and increased complexity in the entire supply-chain.

2020 was characterized by a 221,3 Mio.DKK Net turnover which compared to 2019 was an increase of 10,3% point.

Operating profit was impacted positively with 4,3 Mio DKK decline vs 2019.

Staff costs continued to be reduced and optimized with a 15% reduction of costs vs 2019. Key elements have been adaptation to a sales structure with more variable cost and general reduction of cost across the organization.

Know how resources
The company is in possision of sufficient knowledge resources, including key persons to make sure and maintain the future earnings.

Management commentary

Expected developments

Strategic and operational focus for 2021 will be to maintain and develop Diplomatic channel with a continued strong omni channel approach.

Net Revenue is planned to develop with a 10-15% increase vs 2020 and at a minimum at 2019 level.

Web platform and marketing automation platform supports a continued improved customer orientedapproach and communication. This in combination with a coordinated approach through local sales agents.

New subcategories will gradually be added to the portfolio in combination with slightly reduced number of vendors.

Focused initiatives to further improve working capital through initiatives to reduce receivables.

Operational focus for 2021 will be to intensify actions to safeguard current customer basis and in certain regions like Russia expand number of active customers.

Cost actions and efficiency programs will be concentrated around supply chain particularly benefiting from warehouse set up in Poland.

Investment’s level will be very low jeopardizing from previous years actions to further digitalize the business.

Events occurring after the end of the financial year

The company's management assess the effect of the development of Covid 19 in a more positive perspective. Supplier shortage and logistical solutions are under control although most markets are expected to have none or very limited events I.e. National days etc.

Finally, no events have occurred which would have a material impact on the position of the company.

Income statement 1 January - 31 December

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

		Group		Parent	
Note		2020	2019	2020	2019
	Revenue	221.269.579	246.770	2	0
	Change in inventories of finished goods and work in progress	894.788	978	0	0
	Own work capitalised	2.232.750	9.069	0	0
	Other operating income	798.780	8	0	0
	Costs of raw materials and consumables	-180.482.817	-204.424	0	0
	Other external costs	-20.700.572	-28.757	-300.936	-554
	Gross profit	**24.012.508**	**23.644**	**-300.934**	**-554**
2	Staff costs	-24.250.511	-27.364	-134.500	-480
	Depreciation, amortisation, and impairment	-6.144.835	-6.986	0	0
	Operating profit	**-6.382.838**	**-10.706**	**-435.434**	**-1.034**
	Income from equity investments in group enterprises	0	0	-5.623.904	-11.766
	Other financial income	3.109.060	1.551	0	0
3	Other financial costs	-5.601.228	-3.675	-91.182	-30
	Pre-tax net profit or loss	**-8.875.006**	**-12.830**	**-6.150.520**	**-12.830**
	Tax on net profit or loss for the year	2.724.486	0	0	0
4	**Net profit or loss for the year**	**-6.150.520**	**-12.830**	**-6.150.520**	**-12.830**

Statement of financial position at 31 December

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

Assets

Note		Group 2020	Group 2019	Parent 2020	Parent 2019
	Non-current assets				
5	Softwareplatform (development projects)	12.553.570	16.344	0	0
	Total intangible assets	12.553.570	16.344	0	0
6	Other fixtures and fittings, tools and equipment	180.054	1.098	0	0
	Total property, plant, and equipment	180.054	1.098	0	0
7	Equity investments in group enterprises	0	0	1.163.322	6.787
	Total investments	0	0	1.163.322	6.787
	Total non-current assets	**12.733.624**	**17.442**	**1.163.322**	**6.787**
	Current assets				
	Manufactured goods and goods for resale	7.626.596	8.521	0	0
	Total inventories	7.626.596	8.521	0	0
	Trade receivables	17.194.997	25.065	0	0
	Income tax receivables	5.253.811	1.955	5.253.811	1.955
	Other receivables	6.714.339	6.122	0	0
8	Prepayments and accrued income	912.237	1.252	0	0
	Total receivables	30.075.384	34.394	5.253.811	1.955
	Cash on hand and demand deposits	6.393.623	3.620	0	1
	Total current assets	**44.095.603**	**46.535**	**5.253.811**	**1.956**
	Total assets	**56.829.227**	**63.977**	**6.417.133**	**8.743**

Statement of financial position at 31 December

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

Equity and liabilities

Note		Group 2020	Group 2019	Parent 2020	Parent 2019
	Equity				
	Contributed capital	3.733.333	3.733	3.733.333	3.733
9	Reserve for development costs	9.791.785	10.262	0	0
	Retained earnings	-16.664.596	-10.984	-6.872.812	-722
	Total equity	**-3.139.478**	**3.011**	**-3.139.479**	**3.011**
	Liabilities other than provisions				
	Other payables	1.657.954	647	0	0
	Payables to shareholders and management	2.832.117	3.093	2.832.117	3.093
	Total long term liabilities other than provisions	4.490.071	3.740	2.832.117	3.093
	Bank debts	10.103.666	12.108	266	0
	Trade payables	41.488.675	41.492	31.250	31
	Payables to group enterprises	0	0	965.082	232
	Tax payable to group enterprises	0	0	5.253.811	1.955
	Other payables	3.886.293	3.626	474.086	421
	Total short term liabilities other than provisions	55.478.634	57.226	6.724.495	2.639
	Total liabilities other than provisions	**59.968.705**	**60.966**	**9.556.612**	**5.732**
	Total equity and liabilities	**56.829.227**	**63.977**	**6.417.133**	**8.743**

1 Special items
10 Charges and security
11 Contingencies
12 Related parties

Consolidated statement of changes in equity

DKK thousand.

	Contributed capital not paid	Reserve for development costs	Retained earnings	Total
Equity 1 January 2020	3.733	10.262	-10.984	3.011
Profit or loss for the year brought forward	0	0	-6.151	-6.151
Transferred from distributed reserves	0	-470	470	0
	3.733	**9.792**	**-16.665**	**-3.140**

Statement of changes in equity of the parent

DKK thousand.

	Contributed capital	Retained earnings	Total
Equity 1 January 2020	3.733	-722	3.011
Profit or loss for the year brought forward	0	-6.151	-6.151
	3.733	**-6.873**	**-3.140**

Statement of cash flows 1 January - 31 December

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

Note		Group 2020	2019
	Net profit or loss for the year	-6.150.520	-12.823
13	Adjustments	5.032.138	9.103
14	Change in working capital	8.944.516	10.052
	Cash flows from operating activities before net financials	7.826.134	6.332
	Interest received, etc.	881.349	1.550
	Interest paid, etc.	-2.493.139	-3.668
	Cash flows from ordinary activities	6.214.344	4.214
	Cash flows from operating activities	**6.214.344**	**4.214**
	Purchase of intangible assets	-2.232.750	-9.069
	Purchase of property, plant, and equipment	-25.071	-129
	Sale of property, plant, and equipment	820.568	0
	Cash flows from investment activities	**-1.437.253**	**-9.198**
	Cash capital increase	0	9.085
	Cash flows from investment activities	**0**	**9.085**
	Change in cash and cash equivalents	**4.777.091**	**4.101**
	Cash and cash equivalents at 1 January 2020	-8.487.134	-12.589
	Cash and cash equivalents at 31 December 2020	**-3.710.043**	**-8.488**

	2020	2019
Cash and cash equivalents		
Cash on hand and demand deposits	6.393.623	3.620
Short-term bank debts	-10.103.666	-12.108
Cash and cash equivalents at 31 December 2020	**-3.710.043**	**-8.488**

Notes

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

1. Special items

Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.

As mentioned in the management commentary, the net profit or loss for the year is affected by a number of factors that differ from what is considered by management to be part of operating activities.

Special items for the year are specified below, indicating where they are recognised in the income statement.

	Group	
	2020	2019
Income:		
COVID-19 Compensation fixed costs	778	0
	778	0
Special items are recognised in the following items in the financial statements:		
Other operating income	778	0
Profit of special items, net	**778**	**0**

Notes

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

		Group 2020	Group 2019	Parent 2020	Parent 2019
2.	**Staff costs**				
	Salaries and wages	22.777.398	25.657	134.500	480
	Pension costs	1.305.731	1.471	0	0
	Other costs for social security	167.382	236	0	0
		24.250.511	**27.364**	**134.500**	**480**
	Executive board and board of directors	2.072.532	2.535	134.500	480
	Average number of employees	32	37	0	0
3.	**Other financial costs**				
	Financial costs, group enterprises	350.314	193	-1.627	22
	Other financial costs	5.250.914	3.482	92.809	8
		5.601.228	**3.675**	**91.182**	**30**

		Parent 2020	Parent 2019
4.	**Proposed appropriation of net profit**		
	Allocated from retained earnings	-6.150.520	-12.830
	Total allocations and transfers	**-6.150.520**	**-12.830**

Notes

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

		Group	
		31/12 2020	31/12 2019
5.	**Softwareplatform (development projects)**		
	Cost 1 January 2020	57.221.783	48.153
	Additions during the year	2.232.750	9.069
	Cost 31 December 2020	**59.454.533**	**57.222**
	Amortisation and writedown 1 January 2020	-40.878.326	-35.041
	Amortisation for the year	-6.022.637	-5.837
	Amortisation and writedown 31 December 2020	**-46.900.963**	**-40.878**
	Carrying amount, 31 December 2020	**12.553.570**	**16.344**

The softwareplatform regards the development and adaptation of a unique it-platform to ensure cost efficency and costumer satisfaction. The projects proceed as planned and are expected to be completed within 1-3 years. The platform can be used for external sales.

		Group	
		31/12 2020	31/12 2019
6.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2020	9.106.965	8.978
	Additions during the year	25.071	129
	Disposals during the year	-820.568	0
	Cost 31 December 2020	**8.311.468**	**9.107**
	Depreciation and writedown 1 January 2020	-8.009.216	-7.484
	Depreciation for the year	-122.198	-525
	Depreciation and writedown 31 December 2020	**-8.131.414**	**-8.009**
	Carrying amount, 31 December 2020	**180.054**	**1.098**

Notes

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

		Parent	
		31/12 2020	31/12 2019
7.	**Equity investments in group enterprises**		
	Acquisition sum, opening balance 1 January 2020	12.331.462	12.331
	Cost 31 December 2020	**12.331.462**	**12.331**
	Revaluations, opening balance 1 January 2020	-5.544.236	-1.893
	Results for the year before goodwill amortisation	-5.623.904	-11.766
	Other movements in capital 1	0	8.115
	Revaluation 31 December 2020	**-11.168.140**	**-5.544**
	Carrying amount, 31 December 2020	**1.163.322**	**6.787**

Group enterprises:

	Domicile	Equity interest
Peter Justesen Company A/S	Copenhagen	99,22 %

		Group	
		31/12 2020	31/12 2019
8.	**Prepayments and accrued income**		
	Prepaid expenses and accrued revenue	912.237	1.252
		912.237	**1.252**

Accrued income and deferred expenses contains costs paid in 2020, but related to operations in 2021.

9.	**Reserve for development costs**		
	Reserve for development costs 1 January 2020	10.261.944	4.573
	Reserve for development expenditure in the year	-470.159	5.689
		9.791.785	**10.262**

Notes

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

10. Charges and security

For bank debts, t.DKK 10.103, the company has provided security in company assets representing a nominal value of t.DKK 50.000 . This security comprises the assets below, stating the carrying amounts:

	DKK in thousands
Inventories	7.627
Receivable from sales and services	17.195
Property, plant and equipment	180
Total security	25.002

11. Contingencies

Contingent assets

The Group has a tax asset in the form of the tax losses to carry-forward - less tax value difference on intangible fixed assets etc. in the amount of m.DKK 5,8. The tax asset is not recognized in the balance, as it is uncertain when the tax asset can be activated in the future.

Contingent liabilities

	DKK in thousands
Lease liabilities	1.089
Rent liabilities	694
Total contingent liabilities	**1.783**

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

Notes

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

12. Related parties

Other related parties

Peter Justesen Company A/S, Gribskovvej 2, 2., 2100 København Ø	Group Enterprise

Transactions

All of the groups transactions take place on market terms.

	Group 2020	Group 2019
13. Adjustments		
Depreciation, amortisation, and impairment	6.144.835	6.986
Other financial income	-879.722	-1.551
Other financial costs	2.491.511	3.668
Tax on net profit or loss for the year	-2.724.486	0
	5.032.138	**9.103**

	Group 2020	Group 2019
14. Change in working capital		
Change in inventories	894.789	978
Change in debtors	11.018.728	1.935
Change in trade payables and other payables	-2.969.001	7.139
	8.944.516	**10.052**

Accounting policies

The annual report for Peter Justesen Holding A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Changes have been made in comparative figures regarding capital increases and loans. Comparative figures are adapted to the changes. The change entails for the equity a change 3,085 Mio.DKK removed from capital increase to loans from business owners.

Pursuant to section 86 (4) of the Danish Financial Statements Act, no statement of cash flows for the enterprise has been prepared, as the relevant information is included in the consolidated financial statements of cash flows.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the group and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the group and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Accounting policies

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

The consolidated financial statements

The consolidated income statements comprise the parent company Peter Justesen Holding A/S and those group enterprises of which Peter Justesen Holding A/S directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' market value of net assets and liabilities at the acquisition date.

Income statement

Net turnover

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales

Costs of sales includes costs for manufactured goods and trade goods less discounts and changes in inventories.

Accounting policies

Own work capitalised

Own work capitalised includes staff cost and other internal costs incurred during the financial year and recognised in the cost of proprietary intangible and tangible fixed assets.

Other operating income

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement of the parent as a proportional share of the group enterprises' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total Danish income tax payable by the Danish group companies is paid to the tax authorities by the company.

Accounting policies

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Softwareplatform

The development of the softwareplatform comprise e.g. salaries, wages, and amortisation which directly and indirectly refer to the development of the softwareplatform.

Clearly defined and identifiable development of the software platform are recognised as intangible fixed assets provided that the technical feasibility, sufficient resources, and a potential market or a development opportunity can be demonstrated, and provided that it is the intention to produce, market and utilise the project. It is, however, a condition that the cost can be calculated reliably and that a sufficiently high degree of certainty indicates that future earnings will cover the costs for production, sales, and administration. Other development costs are recognised in the profit and loss account concurrently with their realisation.

Softwareplatform costs recognised in the balance sheet are measured at cost with deduction of accrued depreciation and writedown. The amortisation period is 7 years.

Property, plant, and equipment

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Leasehold improvements	10 years
Other fixtures and fittings, tools and equipment	3-4 years

Accounting policies

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the group holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The group's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Accounting policies

Investments

Equity investments in group enterprises

Equity investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a measurement method.

Equity investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Equity investments in group enterprises with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

Accounting policies

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

Accounting policies

Income tax and deferred tax

As administration company, Peter Justesen Holding A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

Accounting policies

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

Cash flows from operating activities

Cash flows from operating activities are calculated as the group's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under “Interest income and dividend received”.

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand with deduction of short-term bank debts and short-term securities with a maturity less than 3 months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registereret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Navnet er skjult (CPR valideret)
Bestyrelsesmedlem
Serienummer: PID:9208-2002-2-629069558851
IP: 81.153.xxx.xxx
2021-06-22 10:41:39Z
NEM ID

Niels Jørgen Kornerup
Bestyrelsesformand
Serienummer: PID:9208-2002-2-948152476476
IP: 188.120.xxx.xxx
2021-06-23 10:25:41Z
NEM ID

Erik Justesen
Adm. direktør
Serienummer: PID:9208-2002-2-481557892942
IP: 176.23.xxx.xxx
2021-06-23 15:58:19Z
NEM ID

Erik Justesen
Bestyrelsesmedlem
Serienummer: PID:9208-2002-2-481557892942
IP: 176.23.xxx.xxx
2021-06-23 15:58:19Z
NEM ID

Claus Koskelin
Statsautoriseret revisor
På vegne af: GRANT THORNTON,STATSAUTORISERET REVISIO...
Serienummer: PID:9208-2002-2-814447238824
IP: 188.179.xxx.xxx
2021-06-23 17:57:17Z
NEM ID

Niels Jørgen Kornerup
Dirigent
Serienummer: PID:9208-2002-2-948152476476
IP: 188.120.xxx.xxx
2021-06-24 09:27:19Z
NEM ID

Penneo dokumentnøgle: C4QTE-L1XB0-KVXC5-232MS-5KWN6-Q8E6A