



Huuray A/S

Carl Jacobsens Vej 16, 2.
2500 Valby
CVR No. 33948786

Annual report 2021

The Annual General Meeting adopted the
annual report on 08.04.2022

Jan Rye Petersen

Chairman of the General Meeting

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Entity details

Entity

Huuray A/S

Carl Jacobsens Vej 16, 2.

2500 Valby

Business Registration No.: 33948786

Registered office: København

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Tino Thorbjørn Sølling, Chairman of the board

Jan Rye Petersen

Rune Eirby Poulsen

Executive Board

Rune Eirby Poulsen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Huray A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Valby, 08.04.2022

Executive Board

Rune Eirby Poulsen
CEO

Board of Directors

Tino Thorbjørn Sølling
Chairman of the board

Jan Rye Petersen

Rune Eirby Poulsen

Independent auditor's report

To the shareholders of Huuray A/S

Opinion

We have audited the financial statements of Huuray A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the 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.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

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

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

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

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 08.04.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Hartmann Olesen

State Authorised Public Accountant
Identification No (MNE) mne34143

Management commentary

Primary activities

The company's activity consists of operating and developing gift, incentives & reward concepts globally in the B2C & B2B markets.

Description of material changes in activities and finances

2021 was a year of growth in all areas and markets. The annual report for 2021 shows a profit before tax of DKK 9,255 thousand and profit after tax of DKK 7,275 thousand, which the Management finds satisfactory.

In addition, 2021 has also been a year of investments:

- The establishment of the subsidiary; Online Data ApS. A digital software agency that develops, integrates, and maintains complex systems and websites.
- The development of a globally scalable IT platform and sourcing 4500+ gift card brands in 90 countries worldwide.

In 2022, further growth is expected in all Nordic countries and significant growth globally, with the introduction of our products in 90 countries. A positive result is expected at the level of 2021.

Events after the balance sheet date

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

Income statement for 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss		13,993,656	2,355,245
Staff costs	1	(4,731,323)	(1,697,383)
Depreciation, amortisation and impairment losses		(11,072)	0
Operating profit/loss		9,251,261	657,862
Income from investments in group enterprises		255,001	0
Other financial income	2	2,155	237,998
Other financial expenses	3	(301,001)	(22,198)
Profit/loss before tax		9,207,416	873,662
Tax on profit/loss for the year	4	(1,970,167)	(180,444)
Profit/loss for the year		7,237,249	693,218
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		3,500,000	0
Retained earnings		3,737,249	693,218
Proposed distribution of profit and loss		7,237,249	693,218

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Other fixtures and fittings, tools and equipment		321,074	0
Property, plant and equipment	5	321,074	0
Investments in group enterprises		295,001	0
Receivables from group enterprises		102,155	0
Deposits		110,466	168,300
Financial assets	6	507,622	168,300
Fixed assets		828,696	168,300
Manufactured goods and goods for resale		6,162,364	1,595,414
Inventories		6,162,364	1,595,414
Trade receivables		38,087,370	11,263,170
Other receivables		1,869,311	105,807
Prepayments		241,902	253,005
Receivables		40,198,583	11,621,982
Cash		48,916,166	6,701,772
Current assets		95,277,113	19,919,168
Assets		96,105,809	20,087,468

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		400,000	400,000
Reserve for net revaluation according to the equity method		255,001	0
Retained earnings		3,710,574	228,326
Proposed dividend		3,500,000	0
Equity		7,865,575	628,326
Deferred tax		10,319	0
Provisions		10,319	0
Other payables		0	72,366
Non-current liabilities other than provisions		0	72,366
Prepayments received from customers		6,440,997	1,338,138
Trade payables		32,447,975	11,915,521
Payables to group enterprises		531,867	0
Income tax payable		1,959,804	180,444
Other payables		597,516	247,338
Deferred income	7	46,251,756	5,705,335
Current liabilities other than provisions		88,229,915	19,386,776
Liabilities other than provisions		88,229,915	19,459,142
Equity and liabilities		96,105,809	20,087,468
Unrecognised rental and lease commitments	8		
Contingent liabilities	9		

Statement of changes in equity for 2021

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	400,000	0	228,326	0	628,326
Profit/loss for the year	0	255,001	3,482,248	3,500,000	7,237,249
Equity end of year	400,000	255,001	3,710,574	3,500,000	7,865,575

Notes

1 Staff costs

	2021	2020
	DKK	DKK
Wages and salaries	4,003,954	1,573,170
Pension costs	202,021	34,200
Other social security costs	249,581	24,799
Other staff costs	275,767	65,214
	4,731,323	1,697,383
Average number of full-time employees	6	4

2 Other financial income

	2021	2020
	DKK	DKK
Other interest income	2,155	0
Exchange rate adjustments	0	237,918
Other financial income	0	80
	2,155	237,998

3 Other financial expenses

	2021	2020
	DKK	DKK
Other interest expenses	2,575	9
Exchange rate adjustments	151,033	0
Other financial expenses	147,393	22,189
	301,001	22,198

4 Tax on profit/loss for the year

	2021	2020
	DKK	DKK
Current tax	1,959,804	180,444
Change in deferred tax	10,319	0
Adjustment concerning previous years	44	0
	1,970,167	180,444

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Additions	332,146
Cost end of year	332,146
Depreciation for the year	(11,072)
Depreciation and impairment losses end of year	(11,072)
Carrying amount end of year	321,074

6 Financial assets

	Investments in group enterprises DKK	Receivables from group enterprises DKK	Deposits DKK
Cost beginning of year	0	0	168,300
Additions	40,000	102,155	2,166
Disposals	0	0	(60,000)
Cost end of year	40,000	102,155	110,466
Share of profit/loss for the year	255,001	0	0
Revaluations end of year	255,001	0	0
Carrying amount end of year	295,001	102,155	110,466

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Online Data ApS	Valby, Denmark	ApS	100.00

7 Deferred income

Deferred income comprises income received from gift cards for recognition in subsequent financial years.

8 Unrecognised rental and lease commitments

	2021 DKK	2020 DKK
Liabilities under rental or lease agreements until maturity in total	214,312	360,000

9 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where TS Holding 2018 ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

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

Recognition and measurement

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

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

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

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

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

Income statement

Gross profit or loss

Gross profit or loss includes net sales, cost of purchasing gift cards, as well as other external costs.

Revenue

Revenue from the sale of private-label gift cards is recognized in the income statement at the time the gift cards are utilized, while sold, unredeemed gift cards are accrued under prepayments until used. Revenue from the sale of our suppliers gift cards are recognized upon sale to customers.

Commission income from the sale of gift cards is recognized in the income statement at the time the gift card is issued for sale.

Other operating income

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

Cost of sales

Cost of sales comprises gift cards bought from vendors and consumed by customers in the financial year measured at cost, adjusted for ordinary inventory writedowns including commisions.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

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

Depreciation, amortisation and impairment losses

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

Income from investments in group enterprises

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

Other financial income

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

Other financial expenses

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

Tax on profit/loss for the year

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

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

Balance sheet**Property, plant and equipment**

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets

and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each asset.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in group enterprises.

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

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Receivables

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

Inventories

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

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Deferred tax

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

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Tax receivable or payable

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

Deferred income

Deferred income comprises income received from gift cards for recognition in subsequent financial years. Deferred income is measured at cost.