

BBHS A/S

Højnæsvej 75, DK-2610 Rødovre

Annual Report for 1 January - 31 December 2023

CVR No 35 03 53 38

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
26 July 2024

Peter Scheuer Jensen
Chairman of the General
Meeting

Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	6
Management's Review	7
Financial Statements	
Income Statement 1 January - 31 December	9
Balance Sheet 31 December	10
Statement of Changes in Equity	12
Notes to the Financial Statements	13

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of BBHS A/S for the financial year 1 January - 31 December 2023.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

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

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

Rødovre, 11 July 2024

Executive Board

Jonas Riddersholm Bargum
Managing Director

Board of Directors

Peter Scheuer Jensen
Chairman

Morten Pankoke

Jens Sehested Krogh

Independent Auditor's Report

Independent Auditor's Report

To the Shareholder of BBHS A/S

Adverse Opinion

We have audited the financial statements of BBHS A/S for the financial year January 1 - December 31, 2023, which comprise the income statement, balance sheet, and notes, including the applied accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, due to the significance of the matter described in the section "Basis for Adverse Opinion," the financial statements do not provide a true and fair view of the company's assets, liabilities, and financial position as of December 31, 2023, or of the results of the company's operations for the financial year January 1 - December 31, 2023, in accordance with the Danish Financial Statements Act.

Basis for Adverse Opinion

The financial statements are prepared on a going concern basis. As disclosed in Note 1, the company's continued operation is contingent on obtaining additional financing in the form of equity or an extension and maintenance of its current credit facilities in line with its financing needs. The company's management has been in negotiations with various lenders and investors. These negotiations are still ongoing, and there are several positive indications regarding the provision of liquidity, with several agreements already signed. However, these agreements have not yet been executed, and there is still uncertainty about the timing and actual implementation of these agreements. Therefore, we do not have sufficient documentation to confirm that the necessary liquidity to ensure the company's continued operation will be provided.

Consequently, we have qualifications about the financial statements being prepared on a going concern basis.

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 Financial Statements" of our audit report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical

Independent Auditor's Report

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 adverse opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that provide a true and fair view in accordance with the Danish Financial Statements Act. This responsibility includes designing, implementing, and maintaining internal control relevant to 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 unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing and 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 International Standards on Auditing and additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

Independent Auditor's Report

- 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 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, it is our responsibility to read the management commentary and consider whether it is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to contain material misstatement.

Independent Auditor's Report

Our responsibility also includes considering whether the management commentary includes the required information in accordance with the Danish Financial Statements Act.

As outlined in the section "Basis for Adverse Opinion," our opinion on the financial statements is modified due to the financial statements being prepared on a going concern basis, while negotiations with lenders and investors have not yet resulted in the necessary liquidity provision to ensure the company's continued operation. For the same reason, we have concluded that we do not agree with the information in the management commentary regarding amounts and other elements affected by the fact that the financial statements have been prepared on a going concern basis.

Copenhagen, July 11, 2024

CHRISTENSEN KJÆRULFF
INCORPORATED STATE AUTHORISED PUBLIC ACCOUNTANTS
CVR-nr. 15 91 56 41

Anders Ingemann Hansen
State Authorised Public Accountant
mne32726

Company Information

The Company

BBHS A/S
Højnæsvej 75
DK-2610 Rødovre

CVR No: 35 03 53 38
Financial period: 1 January - 31 December
Municipality of reg. office: Rødovre

Board of Directors

Peter Scheuer Jensen, Chairman
Morten Pankoke
Jens Sehested Krogh

Executive Board

Jonas Riddersholm Bargum

Auditors

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Østbanegade 123
DK-2100 København Ø

Management's Review

Key activities

The Company's objective is to operate in development, production and sales of highly efficient and working environmental gentle luggage handling systems and other related activities.

The Company is part of the CPHI-Holding A/S Group.

Development in the year

The income statement of the Company for 2023 shows a loss of TDKK 37,931, and at 31 December 2023 the balance sheet of the Company shows negative equity of TDKK 133,808.

The result is somewhat lower than expected, mostly driven by delays from cash constraints.

Subsequent events

During 2023 and early 2024 the Group's financial and liquidity situation has been highly challenged. With regards to the 2022 Financial statements auditors expressed an adverse opinion to management's assessment of the Group as a Going Concern.

The Group's financial and liquidity position is challenged, and the future operation is significantly dependent on Management's ability to raise new funds in the form of equity or debt. Management has prepared budgets for the Group covering the period from the date of approval of these Financial Statements until 31 December 2024 showing an expected cash outflow from operations of DKK 45 - 55 million regarding CPHI's operations, including the subsidiaries' activities where CPHI-Holding A/S will finance operating and development costs as well as construction obligations in each of the three subsidiaries BBHS A/S, Exruptive A/S and IntelligentTrackSystems A/S.

At the date of approval of these Financial Statements, the Group's liquidity amounted to DKK 8 million. Total debt maturing during the remaining part of 2024 amounts to DKK 275 (Ca 40 mio wc + ca 235 mio Vinga) million, which in combination with the expected cash outflows from operations results in a total liquidity and financing requirement of approximately DKK 320 million until 31 December 2024. In addition, convertible loans of DKK 43 million mature in 2025, however subordinated to CPHI-Holding A/S' senior secured bonds maturing in the second half of 2024.

CPHI has mandated Vinga Corporate Finance AB to refinance to DKK 235 million before related costs to obtain the financing facilities. The cost for obtaining the financing activities amounts to between 10% and 15% of the raised capital. Management expects the approval to be obtained in Q3 2024. Company's stakeholders and external investors have made binding financing equity and/or debt commitments, which can be used if required for CPHI to continue as a going concern. The company expect sufficient cash inflow from both equity investments and from project financing in order to continue the business.

In addition, Management is exploring the opportunities of refinancing existing loans maturing during 2024 and 2025 as well as exploring the opportunities of other financing resources.

Management's Review

Consequently, Management has considered the Group's cash flow, liquidity, and financial position in general, together with factors likely to affect the development and performance. On this basis, Management has concluded to prepare these Financial Statements under assumption of going concern. However, as the financing of the Group's required liquidity is not concluded as of the date of approval of these Financial Statements, material uncertainty exists that may cast significant doubt on CPHI's ability to continue as a going concern.

BBHS found that some VAT errors on intercompany Interest allocations also in 2022. The company has taken measures to correct these errors both in BBHS and in CPHI and balance sheet effects are recognised for both 2022 and 2023. Net Profit and loss Effect – also across the Group - is zero (0,-). We refer to the section about material misstatements.

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

Unusual circumstances

The adverse qualification of the Financials Statements 2022 did challenge stakeholders and investors appetite for additional investing in CPHI Group and BBHS during 2023 also going into 2024. This adversely and directly affected the Groups ability to meet the interest payment on bonds.

However, the company has secured legally binding agreement of Capital Injections, for final closing in July 2024. Based on past learnings the company assess that the cash inflow will start late July or early August, which will be after the adoption of the financial statements. Further, the Company now continues to make massive effort to provide sufficient funds to reduce risks of future cash constraints and pause of momentum.

Income Statement 1 January – 31 December

	Note	2023 TDKK	2022 TDKK
Revenue	7	65,494	197
Cost of sales	3	-34,840	-14,068
Gross profit/loss		30,654	-13,871
Marketing expenses	3	-243	-722
Research and development	3	-6,739	-472
Administrative expenses	3	-16,382	-13,333
Operating profit/loss		7,290	-28,398
Other operating Income		700	0
Depreciation and Amortisation		-6,252	-1,302
Profit/loss before financial income and expenses		1,738	-29,700
Financial Income		24	1,561
Financial expenses	4	-39,692	-33,987
Profit/loss before tax		-37,930	-62,126
Tax on profit/loss for the year	5	0	0
Net profit/loss for the year		-37,930	-62,126

Distribution of profit

Proposed distribution of profit

Retained earnings		-37,930	-62,126
		-37,930	-62,126

Balance Sheet 31 December

Assets

	Note	2023 TDKK	2022 TDKK
Property, plant and equipment - completed and in progress		39,693	45,945
Property, plant and equipment	6	39,693	45,945
Fixed assets		39,693	45,945
Trade receivables		2,890	0
Work in Progress	7	59,800	0
Prepayments		130	0
Receivables		62,820	0
Cash at bank and in hand		2	2,124
Currents assets		62,822	2,124
Assets		102,515	48,069

Balance Sheet 31 December

Liabilities and equity

	Note	2023 TDKK	2022 TDKK
Share capital		11,519	11,519
Retained earnings		-145,327	-107,397
Equity		-133,808	-95,878
Other payables		263	358
Long term debt		263	358
Trade payables		15.095	2.587
Payables to group enterprises		215.759	138.450
Payables relating to corporation tax and VAT		2.514	2,514
Other payables		2.692	38
Short-term debt		236,060	143,589
Debt		236,323	143,947
Liabilities and equity		102,515	48,069
Contingent assets, liabilities and other financial obligations	8		
Accounting Policies	9		

Statement of Changes in Equity

Shareholders equity

	<u>Share capital</u> TDKK	<u>Retained earnings</u> TDKK	<u>Total</u> TDKK
2022			
Equity at 1 January	11,519	-45,270	-33,751
Net profit/loss for the year	<u>0</u>	<u>-62,127</u>	<u>-62,127</u>
Equity at 31 December	<u>11,519</u>	<u>-107,397</u>	<u>-95,878</u>
2023			
Equity 1 January	11,519	-107,397	-95,878
Net profit/loss for the year	<u>0</u>	<u>-37,930</u>	<u>-37,930</u>
Equity at 31 December	<u>11,519</u>	<u>-145,327</u>	<u>-133,808</u>

Notes to the Financial Statements

9 Accounting Policies

1 Going concern

The Group's financial and liquidity position is challenged, and the future operation is significantly dependent on Management's ability to raise new funds in the form of equity or debt. Management has prepared budgets for the Group covering the period from the date of approval of these Financial Statements until 31 December 2024 showing an expected cash outflow from operations of DKK 45 - 55 million regarding CPHI's operations, including the subsidiaries' activities where CPHI-Holding A/S will finance operating and development costs as well as construction obligations in each of the three subsidiaries BBHS A/S, Exruptive A/S and IntelligentTrackSystems A/S.

At the date of approval of these Financial Statements, the Group's liquidity amounted to DKK 8 million. Total debt maturing during the remaining part of 2024 amounts to about DKK 275 million, which in combination with the expected cash outflows from operations results in a total liquidity and financing requirement of approximately DKK 320 million until 31 December 2024. In addition, convertible loans of DKK 43 million mature in 2025, however subordinated to CPHI-Holding A/S' senior secured bonds maturing in the second half of 2024.

CPHI has mandated Vinga Corporate Finance AB to refinance to DKK 235 million before related costs to obtain the financing facilities. The cost for obtaining the financing activities amounts to between 10% and 15% of the raised capital. Management expects the approval to be obtained in Q3 2024.

Company's stakeholders and external investors have made binding financing equity and/or debt commitments, which can be used if required for CPHI to continue as a going concern. The company expect sufficient cash inflow from both equity investments and from project financing in order to continue the business.

In addition, Management is exploring the opportunities of refinancing existing loans maturing during 2024 and 2025 as well as exploring the opportunities of other financing resources.

Consequently, Management has considered the Group's cash flow, liquidity, and financial position in general, together with factors likely to affect the development and performance. On this basis, Management has concluded to prepare these Financial Statements under assumption of going concern.

However, as the financing of the Group's required liquidity is not concluded as of the date of approval of these Financial Statements, material uncertainty exists that may cast significant doubt on CPHI's ability to continue as a going concern factors likely to affect the development and performance. On this basis, Management has concluded to prepare these Financial Statements under assumption of going concern.

However, as the financing of the Group's required liquidity is not concluded as of the date of approval of these Financial Statements, material uncertainty exists that may cast significant doubt on CPHI's ability to continue as a going concern

2 Uncertainty in recognition and measurement

The company has recognised property, plant and equipment of total DKK 40 million.

Notes to the Financial Statements

9 Accounting Policies

The company has assessed and calculated the recoverable amount of property, plant and equipment. However, the cash flows included in the impairment test are significantly independent on several future outcomes

	2023	2022
	TDKK	TDKK
3 Staff		
Wages and Salaries	6,932	7,279
Pensions	590	683
Other social security expenses	91	72
	7,613	8,034
Wages and Salaries, pensions, other social security expenses and other staff expenses are recognized in the following items:		
Cost of sales	5,503	5,607
Distribution expenses	65	722
Research and development	721	0
Administrative expenses	1,324	1,705
	7,613	8,034
Average number of employees	11	10
4 Financial expenses		
Interest paid to group enterprises	39,471	31,386
Other financial expenses	221	2,601
	39,692	33,987
5 Tax on profit/loss for the year		
Current tax for the year	0	0
	0	0

Notes to the Financial Statements

9 Accounting Policies

6 Property, plant and equipment

	Property, plant and equipment - completed and in progress <u>TDKK</u>
Cost at 1 January	52,453
Additions for the year	<u>0</u>
Cost at 31 December	<u>52,453</u>
Impairment losses and depreciation at 1 January	6,508
Depreciation for the year	<u>6,252</u>
Impairment losses and depreciation at 31 December	<u>12,760</u>
Carrying amount at 31 December	<u>39,693</u>

7 Work in progress

	Work in progress <u>TDKK</u>
Work in progress at 1 January	0
Additions for the year	<u>59,800</u>
Recognised work in progress for the year in Profit and loss	<u>59,800</u>
Sum of contracts in progress	100,986
Completion percentage	59 %
Recognised work in progress	<u>100,986</u>
On account payments	0
Work in progress in balance sheet	<u>100,986</u>

Notes to the Financial Statements

9 Accounting Policies

8 Contingent assets, liabilities and other financial obligations

Contingent liabilities

For bonds, Intertrust AB has security in Company assets representing a nominal value of DKK 37.5 million.

The Company has provided full guarantee against Intertrust AB to cover CPHI-Holding A/S' repayment of bonds.

The Company has made a commitment against Intertrust AB, whereby no assets without pre-approval from Intertrust AB can be pledged to other parties.

With CPHI-Holding A/S, company reg. no 21 74 54 48 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for 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, and dividends.

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

Notes to the Financial Statements

9 Accounting Policies

9 Accounting Policies

The Annual Report of BBHS A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2023 are presented in TDKK.

Correction of material misstatements in previous year

In connection with preparation of the Annual Report for 2023, Management has identified a material misstatement in the Annual Report for 2022.

The misstatement relates to Errors in Group Internal Invoices including VAT on Financing activities. Correction has no effect on the profit and loss for 2022 nor the recognised Equity as per 31 December 2022. However, a transfer from Intercompany liabilities of TDKK 6,515 to VAT liability has been recognized in the Balance sheet as per December 2022.

Changes in accounting policies

Changes in accounting policies is described under description of "Other Income" to which we refer.

Apart from above no other changes were made.

Recognition and measurement

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

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

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

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

Translation policies

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

Notes to the Financial Statements

9 Accounting Policies

adjustments are recognised directly in equity.

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

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

Income Statement

Revenue

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

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

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. These costs include direct and indirect costs for raw materials and consumables, salaries and wages, and depreciation as well as research and development costs.

Distribution expenses

Distribution expenses include salaries for salesmen, advertising costs, distribution of goods as well as depreciation.

Administrative expenses

Administrative expenses include salaries, other staff costs, office expense, research and development costs as well as depreciation.

Other operating income and expenses

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, operating loss and conflict compensation as well as salary reimbursements received including government grants for investments, research and development projects. Other operating income also include Grants where these are recognised when there is a reasonable certainty that they will be received.

Compensation is recognised when it is overwhelmingly probable that the company will receive the compensation

Notes to the Financial Statements

9 Accounting Policies

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.

Tax on profit/loss for the year

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

The Company is jointly taxed with its parent company and the Parent Company's Danish subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Property, plant and equipment

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

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

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

Property, plant and equipment	5-10	years
Other fixtures and fittings, tools and equipment	3-5	years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed

annually.

Impairment of fixed assets

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

Notes to the Financial Statements

9 Accounting Policies

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

Receivables

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

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress cannot be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Deferred tax assets and liabilities

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

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

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

Notes to the Financial Statements

9 Accounting Policies

equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

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 "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, BBHS A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

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.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Financial debts

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

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

Jonas Riddersholm Bargum

Navnet returneret af dansk MitID var:
NAVNE & ADRESSEBESKYTTET
Direktør
ID: 1e43429c-44e7-40bb-833d-0c32a770e8be
Tidspunkt for underskrift: 31-07-2024 kl.: 10:46:03
Underskrevet med MitID



Peter Scheuer Jensen

Navnet returneret af dansk MitID var:
Peter Scheuer Jensen
Bestyrelsesformand
ID: 712d6f52-b93b-4b26-b299-7cdcdb663a80
Tidspunkt for underskrift: 31-07-2024 kl.: 10:49:58
Underskrevet med MitID



Morten Pankoke

Navnet returneret af dansk MitID var:
Morten Pankoke
Bestyrelsesmedlem
ID: d9992051-1a93-45ca-8555-d8026ef2c74a
Tidspunkt for underskrift: 31-07-2024 kl.: 11:46:36
Underskrevet med MitID



Jens Sehested Krogh

Navnet returneret af dansk MitID var:
Jens Sehested Krogh
Bestyrelsesmedlem
ID: 5846b2fe-07e8-45bf-9214-14115445353a
Tidspunkt for underskrift: 31-07-2024 kl.: 11:32:46
Underskrevet med MitID



Anders Ingemann Hansen

Navnet returneret af dansk MitID var:
Anders Ingemann Hansen
Revisor
På vegne af Christensen Kjærulff Statsautoriseret Revisions...
ID: 6d7bce96-ce62-43b2-9f7d-3648380bb824
Tidspunkt for underskrift: 31-07-2024 kl.: 12:24:58
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Peter Scheuer Jensen

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