Merlot HoldCo ApS

Bragesvej 1, 4600 Køge

CVR no. 38 12 54 94

Annual report 2022

Approved at the Company's annual general meeting on 30 June 2023

Chair of the meeting:

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Veli Pekka Tennilá

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Merlot HoldCo ApS for the financial year 1 January - 31 December 2022.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2022 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Køge, 30 June 2023
Executive Board:

Jens Christian Voldmester

Board of Directors:

Veli Pekka Tennilá Chairman	Sigmund Laszio Toth	Thomas Erik Johannes Heinonen

Independent auditor's report

To the shareholders of Merlot HoldCo ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Merlot HoldCo ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent Company financial statements" (herinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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.

Management's responsibilities for the financial statements

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements 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 the financial statements.

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

Independent auditor's report

- Identify and assess the risks of material misstatement of the 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 Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or 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 internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 30 June 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Mogens Andreasen State Authorised Public Accountant mne28603	Mathias Jessen State Authorised Public Accountant mne46620

Management's review

Company details

Name	Merlot HoldCo ApS
Address, Postal code, City	Bragesvej 1, 4600 Køge
CVR no.	38 12 54 94
Established	21 October 2016
Registered office	Køge
Financial year	1 January - 31 December
Board of Directors	Veli Pekka Tennilá, Chairman Sigmund Laszio Toth Thomas Erik Johannes Heinonen
Executive Board	Jens Christian Voldmester
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Financial highlights for the Group

DKK'000	2022	2021	2020	2019	2018
Key figures					
Revenue	821,291	730,533	699,382	595,125	536,997
Gross profit	85,411	132,784	80,741	42,437	55,491
Operating profit/loss	-15,321	49,675	4,932	-26,118	-5,792
Net financials	-5,682	-6,325	-7,049	-4,567	-3,423
Profit/loss for the year	-18,103	35,532	-6,942	-24,968	-8,530
Total assets	377,708	331,608	311,980	322,208	311,631
Investments in property, plant and equipment	-1,611	-12,737	-3,569	-6,905	-33,797
Equity	106,931	125,696	84,547	93,122	117,205
Financial ratios					
Operating margin	-1.9%	6.8%	0.7%	-4.4 %	-1.1 %
Return on assets	-4.3%	15.4%	1.6%	-8.2%	-1.8%
Current ratio	94.2%	95.9%	87.2%	80.8%	98.1%
Equity ratio	28.3%	37.9%	27.1%	28.9%	37.6%
Average number of full-time employees	132	109	97	85	72

For terms and definitions, please see the accounting policies.

Management's review

Data ethics

Business review

Merlot HoldCo's main activity is filling wine into bag-in-boxes and bottles as well as import and sale of wine through the subsidiary Globus Wine A/S.

Financial review

Group revenue increased by DKK 90.1 million to DKK 821.3 million against DKK 730.5 million last year. Cash flows from operating activities were a negative DKK 9,2 million. In 2022 the Group's profit before tax was DKK -21 million against DKK 43,1 million last year. Profit after tax decreased by 53.6 million to DKK -18.1 million from DKK 35.5 million last year. Equity of DKK 106.9 million as per 31. December 2022 is DKK 18.8 million lower than last year.

Letter from the Board of Directors

Merlot HoldCo ApS was acquired by Anora Group Plc in July 2022. Since the acquisition, Merlot HoldCo and Anora have worked together to identify synergies and create a plan for how the unique competencies of Merlot HoldCo can be integrated and exploited in Anora. In March 2023, it was announced that Anora will establish a Wine Excellence Center, with centralized production of all wine for the Anora Group. This will be placed at the current facilities in Køge. Preliminary project work has been initiated to scope this move.

The 2022 financial bottom-line result

The unsatisfactory bottom-line result of 2022, was mainly driven by the following 3 factors:

1) An adjustment of the inventories at year-end of DKK 50 million was made, which is due to registration errors in the logistics module of the ERP system, whereby the costs of goods sold was recognized at a too low value in the finance module of the ERP system.

2) Driven by the top line growth and the future continued growth derived from the Anora acquisition, Globus Wine invested heavily in people, and added capacities to fuel this growth.

3) In spring 2022, a lock-down in the US Port workers was expected. This increased the risk of Globus Wine not being able to import bulk wine to fuel the operation. Due to this it was decided to purchase a significant amount of additional bulk containers to counter the risk and get it shipped immediately. Ultimately this led to the congestion of the value chain, as everything arrived at once.

Our top line strategy is working

We continue to see growth in all key segments, and a strengthening of our customer relations. In terms of sourcing, we continue to add new markets, producers and knowledge, to further strengthen our leading service platform and value proposition to customers. In marketing, our continued strengthening of market insight and local market understanding provide a strong position to help our Retailer customers build value with new concepts and products in the wine category. We have invested significant effort and costs to deliver on our customer promises.

Going forward

We will in 2023 continue and intensify the strategic focus on building brands and realize organic growth in the Northern European markets while expanding our filler services towards selected strategic partners. We expect to continue seeing a significant efficiency increase in production due to the continued collaboration with Mantec and a return to healthy profit margin levels as we continue to serve and grow with our customers, with a joint ambition of further adding value and innovation to the wine category. The benefit of being under the Anora umbrella will materialize and lead to increased volume going through our operation. Another positive impact will be the positive economy of scale impact on purchasing.

Management's review

Financial risks and use of financial instruments

Due to the Group's activities abroad, profit, cash flows and equity are affected by the development in exchange rates for a number of currencies, primarily USD, SEK, AUD and ZAR. To a certain extent, the Group hedges currency risks by entering into forward exchange contracts and by making purchases and sales in the same currency.

Statutory CSR report

The Group works actively with social responsibility with focus om human rights, social and employee conditions, anti-corruption as well as climate- and environmental conditions. In regard to the statutory requirement of the corporate social responsibility reporting we refer to the CSR-report on https://assets.ctfassets.net/197jjpt91b9r/41zF96fn3Ht2w6B8jv5cpD/adac917fd5ce51fcaadafacc1fcb6149/Anora_Sustainability_Report_2022.pdf.

Account of the gender composition of Management

Cf. §99b in the Danish Financial Statements Act, the Company´s policy regarding management diversity aims on having 50% female members on the board of Directors. However the company also aims on having the most qualified resources available. The company is currently not in compliance with the policy as 100% members of the board are male (5 persons). Due to internal matters in 2022 it has not been possible to find available qualified female candidates. The Company aim to meet the target of 50% female members on the Board of Directors in 2025 at the latest.

The Company´s policy regarding management diversity aims on having 50% female members on other managerial positions (directors and department leaders). The company is currently not in compliance with the policy as 60% members of other managerial positions are male. The Company aim to meet the target of 50% female members on other managerial positions in 2025 at the latest.

Outlook

For 2023, the company expects a revenue in the range DKK 900-940 million pre excise wine duties and profit before tax of DKK 40-50 million. Positive cash flows from operating activities are expected.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

		Group		Parent company	
Note	DKK'000	2022	2021	2022	2021
4	Revenue	821,291	730,533	825	1,650
	Change in inventories of finished goods and work in progress	22,143	27,317	0	0
	Raw materials and consumables	-692,270	-565,488	0	0
17	Other external expenses	-65,753	-59,578	-2,220	-262
	Gross profit	85,411	132,784	-1,395	1,388
5	Staff costs	-82,559	-66,723	-1,051	-1,693
6	Amortisation/depreciation of intangible assets and property, plant and equipment	-18,173	-16,387	0	0
	Other operating expenses	0	-203	0	0
	Profit/loss before net financials	-15,321	49,471	-2,446	-305
	Income from investments in group enterprises	0	0	-15,627	23,952
7	Financial income	715	281	101	12,384
8	Financial expenses	-6,397	-6,606	-272	-559
	Profit/loss before tax	-21,003	43,146	-18,244	35,472
9	Tax for the year	2,900	-7,614	141	60
	Profit/loss for the year	-18,103	35,532	-18,103	35,532

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group 2022	Group 2021	Parent company 2022	Parent company 2021
	ASSETS				
	Fixed assets				
10	Intangible assets				
	Acquired intangible assets	23,852	28,656	0	0
	Goodwill	58,942	63,177	0	0
	Development projects in progress and prepayments for intangible assets	482	530	0	0
		83,276	92,363	0	0
11	Property, plant and equipment				
	Plant and machinery	43,954	48,252	0	0
	Fixtures and fittings, other plant and equipment	1,287	1,577	0	0
	Leasehold improvements	7,845	8,198	0	0
	Property, plant and equipment under construction	71	1,339	0	0
		53,157	59,366	0	0
12	Investments				
	Investments in group entities	0	0	104,591	120,875
		0	0	104,591	120,875
	Total fixed assets	136,433	151,729	104,591	120,875
	to be carried forward	136,433	151,729	104,591	120,875

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet (continued)

		Group		Parent company	
Note	DKK'000	2022	2021	2022	2021
	brought forward	136,433	151,729	104,591	120,875
	Non-fixed assets				
	Inventories				
	Raw materials and consumables	28,207	11,176	0	0
	Finished goods and goods for resale	146,854	124,704	0	0
		175,061	135,880	0	0
	Receivables				
	Trade receivables	36,465	34,828	0	0
	Receivables from group entities	608	0	3,479	5,464
14	Deferred tax assets	0	0	141	218
	Corporation tax receivable	188	6	188	718
	Joint taxation contribution receivable	0	0	6,036	0
	Other receivables	5,109	5,200	21	21
	Prepayments	1,968	347	0	0
		44,338	40,381	9,865	6,421
	Cash	21,876	3,618	188	385
	Total non-fixed assets	241,275	179,879	10,053	6,806
	TOTAL ASSETS	377,708	331,608	114,644	127,681

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

		Group		Parent company	
Note	DKK'000	2022	2021	2022	2021
	EQUITY AND LIABILITIES				
	Equity				
13	Share capital	120,709	120,709	120,709	120,709
	Net revaluation reserve according to the equity method	0	0	0	6,117
	Hedging reserve	3,238	3,931	0	0
	Retained earnings	-17,016	1,056	-13,778	-1,134
	Total equity	106,931	125,696	106,931	125,692
	Provisions				
14	Deferred tax	10,502	14,387	0	0
	Total provisions	10,502	14,387	0	0
	Liabilities other than provisions				
15	Non-current liabilities other than provisions				
	Other payables	4,075	3,946	0	0
		4,075	3,946	0	0
	Current liabilities other than provisions				
15	Short-term part of long-term liabilities other than provisions	0	12,557	0	0
	Bank debt	1	0	0	0
	Other credit institutions	0	67,272	0	0
	Trade payables	105,791	65,127	81	76
	Payables to group entities	110,000	0	2,216	233
	Corporation tax payable	5,047	5,610	4,409	1,563
	Joint taxation contribution payable	0	0	1,007	0
	Other payables	35,361	37,013	0	117
		256,200	187,579	7,713	1,989
	Total liabilities other than provisions	260,275	191,525	7,713	1,989
	TOTAL EQUITY AND LIABILITIES	377,708	331,608	114,644	127,681

1 Accounting policies
2 Events after the balance sheet date
3 Special items
18 Contractual obligations and contingencies, etc.
19 Collateral
20 Related parties
21 Appropriation of profit/loss

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Group: Share capital	Group: Hedging reserve	Group: Retained earnings	Group: Total
	Equity at 1 January 2021	120,709	-1,663	-34,499	84,547
	Transfer through appropriation of profit	0	0	35,532	35,532
	Adjustment of hedging instruments at fair value	0	7,174	0	7,174
	Adjustment of investments through forreign exchange adjustments	0	0	23	23
	Tax on hedging instruments at fair value recognised directly in equity	0	-1,580	0	-1,580
	Equity at 1 January 2022	120,709	3,931	1,056	125,696
	Transfer through appropriation of loss	0	0	-18,103	-18,103
	Adjustment of hedging instruments at fair value	0	-889	0	-889
	Adjustment of investments through forreign exchange adjustments	0	0	31	31
	Tax on hedging instruments at fair value recognised directly in equity	0	196	0	196
	Equity at 31 December 2022	120,709	3,238	-17,016	106,931

Note	DKK'000	Parent company: Share capital	Parent company: Net revaluation reserve according to the equity method	Parent company: Retained earnings	Parent company: Total
	Equity at 1 January 2021	120,709	0	-36,162	84,547
21	Transfer, see "Appropriation of profit/loss"	0	504	35,028	35,532
	Other value adjustments of equity	0	5,613	0	5,613
	Equity at 1 January 2022	120,709	6,117	-1,134	125,692
21	Transfer, see "Appropriation of profit/loss"	0	-5,459	-12,644	-18,103
	Other value adjustments of equity	0	-658	0	-658
	Equity at 31 December 2022	120,709	0	-13,778	106,931

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

Note	DKK'000	Group 2022	Group 2021
	Profit/loss for the year	-18,103	35,532
22	Adjustments	20,955	13,716
	Cash generated from operations (operating activities)	2,852	49,248
23	Changes in working capital	-4,591	-14,559
	Cash generated from operations (operating activities)	-1,739	34,689
	Interest received, etc.	715	281
	Interest paid, etc.	-6,397	-6,523
	Income taxes paid	-1,745	-20
	Cash flows from operating activities	-9,166	28,427
	Additions of intangible assets	-1,266	-4,146
	Additions of property, plant and equipment	-1,611	-12,737
	Cash flows to investing activities	-2,877	-16,883
	Proceeds of debt, group entities	110,000	0
	Repayments, debt to credit institutions	-79,700	-11,527
	Repayments, finance leases	0	-626
	Repayments, borrowings from shareholders	0	-6,413
	Repayments, other debt	0	-6,094
	Other cash flows from financing activities	0	11,109
	Cash flows from financing activities	30,300	-13,551
	Net cash flow	18,257	-2,007
	Cash and cash equivalents at 1 January	3,618	5,625
24	Cash and cash equivalents at 31 December	21,875	3,618

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Merlot HoldCo ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the Parent Company and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under “Intangible assets”. Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of subsidiaries which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Foreign currency translation

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

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

Foreign group entities

Foreign subsidiaries are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on the translation of the opening equity of foreign subsidiaries to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement along with changes in the fair value of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of future assets or liabilities are recognised as separate items in the balance sheet and in the hedging reserve under equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration, including excise taxes excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Acquired intangible assets	1-10 years
Goodwill	20 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Plant and machinery	10-40 years
Fixtures and fittings, other plant and equipment	3-10 years
Leasehold improvements	3-20 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Profit/loss from investments in subsidiaries

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In subsidiaries, the full elimination of internal profit and loss is carried out without regard to ownership shares., only proportional elimination of profit and loss is carried out, taking into account ownership shares.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 20 years. The amortisation period is fixed on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market positions and long-term earnings profiles.

The Group's investment in Globus Wine A/S in 2016 is considered to be strategically important to the Group. Due regard being had to the Group's expected plans to increase the level of activity and earnings, the economic life of goodwill has been set at 20 years.

Acquired customer-related assets are measured at cost less accumulated depreciation. Customer-related assets are depreciated over their estimated economic lives, which are determined based on Management's experience within the individual business areas. Customer-related assets are depreciated on a straight-line basis over the depreciation period of 10 years.

Acquired order backlogs are measured at cost less accumulated depreciation. Order backlogs are depreciated over their estimated economic lives on a straight-line basis over the depreciation period of less than 1 year.

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

As regards self-produced assets, the cost includes the cost of materials and labour, etc. directly relating to the production.

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

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

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

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Hedging reserve

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Special items

Special items comprise significant income and expenses of a special nature relative to the Company's revenue-generating operating activities. Special items may comprise expenses incurred for extensive structuring of processes and basic structural adjustments as well as any related disposal gains and losses, that have a material impact over time. Special items also comprise significant one-off items that, in Management's opinion, do not form part of the Company’s primary operating activities and that are deemed not to be recurring.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Operating margin	$\frac{\text{Operating profit (EBIT) x 100}}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss from operating activites x 100}}{\text{Average assets}}$
Current ratio	$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$

2 Events after the balance sheet date

The Group fell short of the budgeted results in January and February 2023, as these were built using incorrect gross margins. In relation to the ongoing war in Ukraine, the Group has no customers or suppliers in Russia. However, the fluctuation of the gas and electricity prices throughout the year and the uncertain level it will reach by fall of 2023, imposes a risk to the profitability. This is especially evident on the bottle prices. At the current point in time, it's too early to estimate potential net effect, including to what extent potential cost increases and decreases will be passed on to customers. High share of bag-in-box sales limit net exposure to energy prices compared to most other companies in the wine segment. No other material events affecting the Group's financial position have occurred after the financial year end.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

3 Special items

Special items comprise significant income and expenses of a special nature relative to the Company for 2021. The German subsidiary, Globus Wine GmbH, became a party to a legal case in December 2019 regarding tariff classifications for cider products sourced by a third party producer and sold to border customers. The case is in 2021 settled with the German authorities and the payable amount is fo the main part covered by the company's suppliers and management has therefore reversed the provision in 2021.

As disclosed in the Management's review, the profit for the year in 2021 is affected by the reversal of the provision amounting to DKK 14,627 thousand that in the opinion of the Board of Directors do not form part of the operating activities.

	Group		Parent company	
DKK'000	2022	2021	2022	2021
Expenses				
Provision for tariff	0	14,627	0	11,875
	0	14,627	0	11,875
Special items are recognised in the below items of the financial statements				
Raw materials and consumables	0	14,627	0	0
Write-down of loan from group entities	0	0	0	11,875
Net profit on special items	0	14,627	0	11,875

4 Segment information

The Group has not disclosed the breakdown of revenue by geographical and business segments, see section 96(1) of the Danish Financial Statements Act, as Management is of the opinion that such disclosure could be highly detrimental to the Group.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

		Group		Parent company	
	DKK'000	2022	2021	2022	2021
5	Staff costs				
	Wages/salaries	72,698	58,793	1,047	1,689
	Pensions	5,816	4,323	0	0
	Other social security costs	1,044	997	4	4
	Other staff costs	3,001	2,610	0	0
		82,559	66,723	1,051	1,693
	Average number of full-time employees	132	109	1	1

Group

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to the group Management is not disclosed.

Parent company

The Parent Company did not pay any remuneration to Management during the financial year.

		Group		Parent company	
	DKK'000	2022	2021	2022	2021
6	Amortisation/depreciation of intangible assets and property, plant and equipment				
	Amortisation of intangible assets	10,353	9,491	0	0
	Depreciation of property, plant and equipment	7,820	6,896	0	0
		18,173	16,387	0	0
7	Financial income				
	Reversal of impairment of financial assets	0	0	0	11,875
	Interest receivable, group entities	0	0	101	509
	Other financial income	715	281	0	0
		715	281	101	12,384
8	Financial expenses				
	Interest expenses, group entities	911	0	0	0
	Other financial expenses	5,486	6,606	272	559
		6,397	6,606	272	559

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

	Group		Parent company	
DKK'000	2022	2021	2022	2021
9 Tax for the year				
Estimated tax charge for the year	985	3,401	0	0
Deferred tax adjustments in the year	-3,885	4,213	-141	-17
Refund in joint taxation	0	0	0	-43
	-2,900	7,614	-141	-60
Specified as follows:				
Tax for the year	-2,900	7,614	-141	-60
Tax on hedging instruments at fair value recognised directly in equity	-196	1,580	0	0
	-3,096	9,194	-141	-60

10 Intangible assets

	Group			
DKK'000	Acquired intangible assets	Goodwill	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2022	62,487	84,707	530	147,724
Additions	784	0	482	1,266
Transferred	530	0	-530	0
Cost at 31 December 2022	63,801	84,707	482	148,990
Impairment losses and amortisation at 1 January 2022	33,831	21,530	0	55,361
Amortisation for the year	6,118	4,235	0	10,353
Impairment losses and amortisation at 31 December 2022	39,949	25,765	0	65,714
Carrying amount at 31 December 2022	23,852	58,942	482	83,276

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

11 Property, plant and equipment

	Group				
DKK'000	Plant and machinery	Fixtures and fittings, other plant and equipment	Leasehold improvements	Property, plant and equipment under construction	Total
Cost at 1 January 2022	83,958	2,624	8,903	1,339	96,824
Additions	1,067	75	398	71	1,611
Transferred	1,339	0	0	-1,339	0
Cost at 31 December 2022	86,364	2,699	9,301	71	98,435
Impairment losses and depreciation at 1 January 2022	35,706	1,047	705	0	37,458
Depreciation	6,704	365	751	0	7,820
Impairment losses and depreciation at 31 December 2022	42,410	1,412	1,456	0	45,278
Carrying amount at 31 December 2022	43,954	1,287	7,845	71	53,157

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

12 Investments

DKK'000	Parent company Investments in group entities
Cost at 1 January 2022	114,759
Cost at 31 December 2022	114,759
Value adjustments at 1 January 2022	6,116
Foreign exchange adjustments	36
Profit for the year	-15,627
Changes in equity	-693
Value adjustments at 31 December 2022	-10,168
Carrying amount at 31 December 2022	104,591

Parent company

Name	Legal form	Domicile	Interest
Merlot BidCo	ApS	Køge, Denmark	100.00%
Globus Wine	A/S	Køge, Denmark	100.00%
Globus Wine	GmbH	Harrislee, Germany	100.00%
Globus Wine Germany	GmbH	Harrislee, Germany	100.00%
Globus Wine Poland	Sp. Z.o.o.	Krakow, Poland	100.00%

DKK'000	Parent company 2022	Parent company 2021
13 Share capital		
Analysis of the share capital:		
84,568,428 A shares of DKK 1.00 nominal value each	84,568	84,568
36,140,692 B shares of DKK 1.00 nominal value each	36,141	36,141
	120,709	120,709

Each A-share shall carry 1 vote and B-shares shall carry no vote.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

	Group		Parent company	
DKK'000	2022	2021	2022	2021
14 Deferred tax				
Deferred tax at 1 January	14,386	10,174	-218	-202
Deferred tax adjustment during the year	-3,885	4,212	0	-16
Other deferred tax	0	0	77	0
Deferred tax at 31 December	10,501	14,386	-141	-218
Deferred tax relates to:				
Intangible assets	5,222	6,269	0	0
Property, plant and equipment	5,805	5,724	0	0
Inventories	2,040	2,532	0	0
Liabilities	0	-139	0	0
Tax loss	-2,566	0	-141	-218
	10,501	14,386	-141	-218

15 Non-current liabilities other than provisions

	Group			
DKK'000	Total debt at 31/12 2022	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Other payables	4,075	0	4,075	4,075
	4,075	0	4,075	4,075

16 Derivative financial instruments

Group

Currency risks

Analysis of the Group's balances in foreign currency as well as related hedging transactions at 31 December 2022:

Currency (DKK'000)	Payment/maturity	Payables	Hedged by forward exchange contracts and currency swaps	Net position
USD	< 1 year	-1,714	34,852	33,138

Group

Forecast transactions

The Group uses forward exchange contracts to hedge expected currency risks relating to the purchase of goods in the coming year.

		Contractual value		Gains and losses recognised in equity	
DKK'000	Period	2022	2021	2022	2021
Forward exchange contracts	0-12 months	34,852	106,451	4,159	5,049

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

	Group		Parent company	
DKK'000	2022	2021	2022	2021
17 Fee to the auditors appointed in general meeting				
Total fees to EY	492	375	80	47
Statutory audit	351	251	13	11
Tax assistance	33	26	8	6
Other assistance	109	98	59	30
	493	375	80	47

18 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

	Group		Parent company	
DKK'000	2022	2021	2022	2021
Rent and lease liabilities	104,313	133,260	0	0

Group

Rent and lease liabilities include a rent obligation totalling DKK 104,313 in interminable rent agreements with remaining contract terms of 1-8 years.

Parent company

As management company, the Company is jointly taxed with other Danish group entities. The Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes from the income year 2017 onwards.

19 Collateral

Group

A company charge of DKK 70,000 thousand has been provided as security for debt to credit institutions, DKK 0 thousand at 31 December 2022, secured on receivables, inventories, items of property, plant and equipment and intangible assets at a total carrying amount of DKK 266,935 thousand at 31 December 2022.

Bank guarantees totalling DKK 6,763 thousand have been put up as security for debt to third parties.

Parent company

The parent Company has not provided any security or other collateral in assets at 31 December 2022.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

20 Related parties

Group

Merlot HoldCo ApS' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Anora Group Oyj	Kaapeliaukio 1 00180, Helsinki	Participating interest

Related party transactions

DKK'000	2022	2021
Group		
Purchase of management and consultancy assistance	0	3,667
Interest expenses on loan	911	0
Receivables from Group entities	608	0
Loan from Group entities	-110,000	0

With reference to Section 98(3) of the Danish Financial Statements Act, information on transactions between Merlot HoldCo ApS and its wholly-owned subsidary is not disclosed.

Information on the remuneration to management

Information on the remuneration to Management appears from note 5, "Staff costs".

	Parent company	
DKK'000	2022	2021
21 Appropriation of profit/loss		
Recommended appropriation of profit/loss		
Net revaluation reserve according to the equity method	-5,459	504
Retained earnings/accumulated loss	-12,644	35,028
	-18,103	35,532

	Group	
DKK'000	2022	2021
22 Adjustments		
Amortisation/depreciation and impairment losses	18,173	16,379
Provisions	0	-16,602
Financial income	-715	-281
Financial expenses	6,397	6,606
Tax for the year	-2,900	7,614
	20,955	13,716
23 Changes in working capital		
Change in inventories	-39,181	-24,672
Change in receivables	-3,775	-8,110
Change in trade and other payables	38,365	18,223
	-4,591	-14,559

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

24	Cash and cash equivalents at year-end		
	Cash according to the balance sheet	21,876	3,618
	Short-term debt to banks	-1	0
		21,875	3,618