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# ***Spring Partner Holding ApS***

Studsgade 22, DK-8000 Aarhus C

## **Annual Report for 1 July 2019 - 30 June 2020**

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CVR No 38 87 75 77

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
26/11 2020

Lone Kragh  
Chairman of the General  
Meeting



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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Spring Partner Holding ApS for the financial year 1 July 2019 - 30 June 2020.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 30 June 2020 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2019/20.

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

Aarhus, 26 November 2020

## Executive Board

Lars Bo Hansen  
Executive Officer

## Board of Directors

Albert Crilles Sebastian Funder  
Chairman

Lars Bo Hansen

Michael Kaltoft Paterson

Mogens Kristensen

Lone Kragh

Mads Heide Mikkelsen

# Independent Auditor's Report

To the Shareholders of Spring Partner Holding ApS

## Opinion

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 30 June 2020 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 July 2019 - 30 June 2020 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Spring Partner Holding ApS for the financial year 1 July 2019 - 30 June 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

## Basis for opinion

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

## Statement on Management's Review

Management is responsible for Management's Review.

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

## Management's responsibilities for the Financial Statements

# Independent Auditor's Report

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 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 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 ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group'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 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

## Independent Auditor's Report

may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- 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.

Aarhus, 26 November 2020

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Lars Østergaard

statsautoriseret revisor

mne26806

## Company Information

### **The Company**

Spring Partner Holding ApS  
Studsgade 22  
DK-8000 Aarhus C

CVR No: 38 87 75 77  
Financial period: 1 July - 30 June  
Municipality of reg. office: Aarhus

### **Board of Directors**

Albert Crilles Sebastian Funder, Chairman  
Lars Bo Hansen  
Michael Kaltoft Paterson  
Mogens Kristensen  
Lone Kragh  
Mads Heide Mikkelsen

### **Executive Board**

Lars Bo Hansen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Nobelparken  
Jens Chr. Skous Vej 1  
DK-8000 Aarhus C

### **Lawyers**

Bech Bruun  
Værkmestergade 2  
DK-8000 Aarhus C

### **Bankers**

Nordea Bank Danmark  
Sct. Clemens Torv 2-4  
DK-8000 Aarhus C

# Financial Highlights

Seen over a three-year period, the development of the Group is described by the following financial highlights:

	<b>Group</b>		
	2019/20 TDKK	2018/19 TDKK	2017/18 TDKK
<b>Key figures</b>			
<b>Profit/loss</b>			
Revenue	146.023	145.638	129.789
Operating profit/loss	-1.106	4.673	6.960
Profit/loss before financial income and expenses	-1.186	4.675	6.902
Net financials	-358	-482	-49
Net profit/loss for the year	-3.330	2.037	4.894
<b>Balance sheet</b>			
Balance sheet total	65.942	71.954	68.619
Equity	16.478	19.789	17.480
<b>Cash flows</b>			
Cash flows from:			
- operating activities	18.484	-1.165	5.466
- investing activities	-1.534	-2.905	-12.418
including investment in property, plant and equipment	-1.460	-3.032	-2.899
- financing activities	-137	415	-11.454
Change in cash and cash equivalents for the year	16.813	-3.655	-18.406
Number of employees	304	275	218
<b>Ratios</b>			
Gross margin	68,4%	68,4%	64,1%
Profit margin	-0,8%	3,2%	5,3%
Return on assets	-1,8%	6,5%	10,1%
Solvency ratio	25,0%	27,5%	25,5%
Return on equity	-18,4%	10,9%	56,0%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.



# Management's Review

## Key activities

The object of the Company is to own shares in other companies and to carry on other activities which are related thereto.

## Development in the year

The Company's income statement for 2019/20 shows a loss of DKK 1,710k for the parent company and DKK 3,330 for the group. The principal reason for the results realised being lower than in 2018/19 is the reorganisation of the group's activities in Manchester. As of 1 January 2020, the strategy of the Manchester company was revised to now focusing solely on marketing implementation. The changes have had a significant impact on the operations of the British company, which has suffered a loss of DKK 3,700k for the financial year.

In addition, results for the year are affected negatively by a one-off expense of approx. DKK 1,700k for augmented provisions owing to the new Holiday Act.

Company revenue after intercompany eliminations amounts to DKK 146,022k in 2019/20 against DKK 145,638k in 2018/19.

Total results for the group companies are negatively impacted by amortisation of goodwill arising from acquisitions and merging of activities. In this respect, costs total DKK 3,480k.

As at 30 June 2020, the Company's balance sheet shows positive equity of DKK 8,878k for the parent company and DKK 8,878k for the group.

Company Management considers the result for the year unsatisfactory and considers it to fall short of the expectations expressed in connection with the most recent financial reporting, which indicated a positive result for the parent company and group.

Company Management assesses that the outbreak of COVID-19 has not affected and is not expected to affect the group and parent company noticeably.

## Targets and expectations for the year ahead

Company Management is optimistic about the future. For the next year, the Company expects improved results. Furthermore, Company Management expects that the liquidity necessary for conducting operations in 2020/2021 will be made available.

## Subsequent events

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

## Income Statement 1 July - 30 June

	Note	Koncern		Morderselskab	
		2019/20	2018/19	2019/20	2018/19
		DKK	DKK	DKK	DKK
<b>Revenue</b>		<b>146.022.808</b>	<b>145.638.190</b>	<b>0</b>	<b>0</b>
Other operating income		0	2.130	0	0
Expenses for consumables		-20.683.156	-28.573.391	0	0
Other external expenses		-25.394.241	-17.489.279	-9.255	-20.314
<b>Gross profit/loss</b>		<b>99.945.411</b>	<b>99.577.650</b>	<b>-9.255</b>	<b>-20.314</b>
Staff expenses	2	-95.154.237	-89.578.081	0	0
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-5.897.228	-5.324.832	0	0
Other operating expenses		-79.657	0	0	0
<b>Profit/loss before financial income and expenses</b>		<b>-1.185.711</b>	<b>4.674.737</b>	<b>-9.255</b>	<b>-20.314</b>
Income from investments in subsidiaries	3	0	0	-1.701.773	1.089.466
Income from investments in associates		-3.766	0	0	0
Financial income	4	461.303	360.056	156	0
Financial expenses	5	-815.804	-841.758	-1.401	-680
<b>Profit/loss before tax</b>		<b>-1.543.978</b>	<b>4.193.035</b>	<b>-1.712.273</b>	<b>1.068.472</b>
Tax on profit/loss for the year	6	-1.785.540	-2.155.573	2.344	4.598
<b>Net profit/loss for the year</b>		<b>-3.329.518</b>	<b>2.037.462</b>	<b>-1.709.929</b>	<b>1.073.070</b>

## Distribution of profit

	Koncern		Moderselskab	
	2019/20	2018/19	2019/20	2018/19
	DKK	DKK	DKK	DKK
<b>Proposed distribution of profit</b>				
Reserve for net revaluation under the equity method	0	0	-1.701.773	1.236.189
Minority interests' share of net profit/loss of subsidiaries	-1.619.589	964.392	0	0
Retained earnings	-1.709.929	1.073.070	-8.156	-163.119
	<b>-3.329.518</b>	<b>2.037.462</b>	<b>-1.709.929</b>	<b>1.073.070</b>

# Balance Sheet 30 June

## Assets

	Note	Koncern		Morderselskab	
		2020 DKK	2019 DKK	2020 DKK	2019 DKK
Goodwill		15.621.223	19.101.415	0	0
<b>Intangible assets</b>	7	<b>15.621.223</b>	<b>19.101.415</b>	<b>0</b>	<b>0</b>
Other fixtures and fittings, tools and equipment		3.493.238	4.314.425	0	0
Leasehold improvements		1.203.978	1.418.993	0	0
<b>Property, plant and equipment</b>	8	<b>4.697.216</b>	<b>5.733.418</b>	<b>0</b>	<b>0</b>
Investments in subsidiaries	9	0	0	8.922.165	10.613.957
Investments in associates	10	4.234	8.000	0	0
Other receivables	11	401.094	327.278	0	0
<b>Fixed asset investments</b>		<b>405.328</b>	<b>335.278</b>	<b>8.922.165</b>	<b>10.613.957</b>
<b>Fixed assets</b>		<b>20.723.767</b>	<b>25.170.111</b>	<b>8.922.165</b>	<b>10.613.957</b>
Trade receivables		29.674.237	32.415.846	0	0
Contract work in progress		6.917.939	8.529.970	0	0
Other receivables	12	1.212.456	1.844.821	0	0
Deferred tax asset	13	893.378	724.564	0	0
Corporation tax		0	0	6.920	10.186
Prepayments	14	6.519.744	3.268.203	0	0
<b>Receivables</b>		<b>45.217.754</b>	<b>46.783.404</b>	<b>6.920</b>	<b>10.186</b>
<b>Cash at bank and in hand</b>		<b>0</b>	<b>0</b>	<b>460</b>	<b>420</b>
<b>Currents assets</b>		<b>45.217.754</b>	<b>46.783.404</b>	<b>7.380</b>	<b>10.606</b>
<b>Assets</b>		<b>65.941.521</b>	<b>71.953.515</b>	<b>8.929.545</b>	<b>10.624.563</b>

# Balance Sheet 30 June

## Liabilities and equity

	Note	Koncern		Morderselskab	
		2020 DKK	2019 DKK	2020 DKK	2019 DKK
Share capital		542.400	542.400	542.400	542.400
Reserve for net revaluation under the equity method		0	0	2.881.348	4.573.140
Retained earnings		8.505.307	10.035.324	5.454.028	5.462.184
<b>Equity attributable to shareholders of the Parent Company</b>		<b>9.047.707</b>	<b>10.577.724</b>	<b>8.877.776</b>	<b>10.577.724</b>
Minority interests		7.430.431	9.211.459	0	0
<b>Equity</b>	15	<b>16.478.138</b>	<b>19.789.183</b>	<b>8.877.776</b>	<b>10.577.724</b>
Credit institutions		4.791.109	10.050.516	0	0
Other payables		4.292.391	0	0	0
<b>Long-term debt</b>	16	<b>9.083.500</b>	<b>10.050.516</b>	<b>0</b>	<b>0</b>
Credit institutions	16	5.639.585	17.192.910	0	0
Prepayments received from customers		7.030.910	2.563.585	0	0
Trade payables		4.048.055	6.829.525	0	0
Payables to group enterprises		0	0	43.520	27.526
Payables to associates		0	136.969	0	0
Corporation tax		1.500.944	2.316.629	0	0
Other payables	16	22.160.389	12.990.089	8.249	19.313
Deferred income	17	0	84.109	0	0
<b>Short-term debt</b>		<b>40.379.883</b>	<b>42.113.816</b>	<b>51.769</b>	<b>46.839</b>
<b>Debt</b>		<b>49.463.383</b>	<b>52.164.332</b>	<b>51.769</b>	<b>46.839</b>
<b>Liabilities and equity</b>		<b>65.941.521</b>	<b>71.953.515</b>	<b>8.929.545</b>	<b>10.624.563</b>
Subsequent events	1				
Contingent assets, liabilities and other financial obligations	20				
Related parties	21				
Accounting Policies	22				

## Statement of Changes in Equity

### Koncern

	Share capital	Reserve for net revalua- tion under the equity method	Retained earnings	Equity excl. minority interests	Minority interests	Total
	DKK	DKK	DKK	DKK	DKK	DKK
<b>2019/20</b>						
Equity at 1 July	542.400	0	10.035.324	10.577.724	9.211.459	19.789.183
Exchange adjustments	0	0	9.981	9.981	8.492	18.473
Other equity movements	0	0	169.931	169.931	-169.931	0
Net profit/loss for the year	0	0	-1.709.929	-1.709.929	-1.619.589	-3.329.518
<b>Equity at 30 June</b>	<b>542.400</b>	<b>0</b>	<b>8.505.307</b>	<b>9.047.707</b>	<b>7.430.431</b>	<b>16.478.138</b>

### Koncern

#### 2018/19

Equity 1. juli	542.400	0	8.815.531	9.357.931	8.121.894	17.479.825
Exchange adjustments	0	0	-3.354	-3.354	-2.670	-6.024
Sale of treasury shares	0	0	150.077	150.077	127.843	277.920
Net profit/loss for the year	0	0	1.073.070	1.073.070	964.392	2.037.462
<b>Equity at 30 June</b>	<b>542.400</b>	<b>0</b>	<b>10.035.324</b>	<b>10.577.724</b>	<b>9.211.459</b>	<b>19.789.183</b>

## Statement of Changes in Equity

### Moderselskab

	Share capital	Reserve for net revalua- tion under the equity method	Retained earnings	Equity excl. minority interests	Minority interests	Total
	DKK	DKK	DKK	DKK	DKK	DKK
<b>2019/20</b>						
Equity at 1 July	542.400	4.573.140	5.462.184	10.577.724	0	10.577.724
Exchange adjustments	0	9.981	0	9.981	0	9.981
Net profit/loss for the year	0	-1.701.773	-8.156	-1.709.929	0	-1.709.929
<b>Equity at 30 June</b>	<b>542.400</b>	<b>2.881.348</b>	<b>5.454.028</b>	<b>8.877.776</b>	<b>0</b>	<b>8.877.776</b>

### Moderselskab

<b>2018/19</b>						
Equity 1. juli	542.400	3.336.951	5.478.580	9.357.931	0	9.357.931
Exchange adjustments	0	0	-3.354	-3.354	0	-3.354
Sale of treasury shares	0	0	150.077	150.077	0	150.077
Net profit/loss for the year	0	1.236.189	-163.119	1.073.070	0	1.073.070
<b>Equity at 30 June</b>	<b>542.400</b>	<b>4.573.140</b>	<b>5.462.184</b>	<b>10.577.724</b>	<b>0</b>	<b>10.577.724</b>

## Cash Flow Statement 1 July - 30 June

	Note	Koncern	
		2019/20 DKK	2018/19 DKK
Net profit/loss for the year		-3.329.518	2.037.462
Adjustments	18	8.138.728	7.948.563
Change in working capital	19	16.798.901	-7.424.993
<b>Cash flows from operating activities before financial income and expenses</b>		<b>21.608.111</b>	<b>2.561.032</b>
Financial income		461.303	360.056
Financial expenses		-815.804	-841.758
<b>Cash flows from ordinary activities</b>		<b>21.253.610</b>	<b>2.079.330</b>
Corporation tax paid		-2.770.038	-3.244.128
<b>Cash flows from operating activities</b>		<b>18.483.572</b>	<b>-1.164.798</b>
Purchase of property, plant and equipment		-1.460.046	-3.031.717
Fixed asset investments made etc		0	-8.000
Sale of property, plant and equipment		0	116.500
Sale of fixed asset investments etc		-73.825	18.079
<b>Cash flows from investing activities</b>		<b>-1.533.871</b>	<b>-2.905.138</b>
Repayment of payables to associates		-136.969	136.969
Purchase of treasury shares		0	277.920
<b>Cash flows from financing activities</b>		<b>-136.969</b>	<b>414.889</b>
<b>Change in cash and cash equivalents</b>		<b>16.812.732</b>	<b>-3.655.047</b>
Cash and cash equivalents at 1 July		-27.243.426	-23.588.379
<b>Cash and cash equivalents at 30 June</b>		<b>-10.430.694</b>	<b>-27.243.426</b>
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		0	0
Overdraft facility		-10.430.694	-27.243.426
<b>Cash and cash equivalents at 30 June</b>		<b>-10.430.694</b>	<b>-27.243.426</b>



# Notes to the Financial Statements

## 1 Subsequent events

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

	Koncern		Moterselskab	
	2019/20 DKK	2018/19 DKK	2019/20 DKK	2018/19 DKK
<b>2 Staff expenses</b>				
Wages and salaries	89.513.856	83.870.268	0	0
Pensions	4.736.748	4.771.768	0	0
Other social security expenses	903.633	936.045	0	0
	<b>95.154.237</b>	<b>89.578.081</b>	<b>0</b>	<b>0</b>
<b>Including remuneration to the Executive Board</b>	<b>1.436.272</b>	<b>1.298.272</b>	<b>0</b>	<b>0</b>
<b>Average number of employees</b>	<b>304</b>	<b>275</b>	<b>0</b>	<b>0</b>
<b>3 Income from investments in subsidiaries</b>				
Share of profits of subsidiaries			0	1.089.466
Share of losses of subsidiaries			-1.701.773	0
			<b>-1.701.773</b>	<b>1.089.466</b>
<b>4 Financial income</b>				
Other financial income	461.303	360.056	156	0
	<b>461.303</b>	<b>360.056</b>	<b>156</b>	<b>0</b>
<b>5 Financial expenses</b>				
Interest paid to group enterprises	0	0	1.394	676
Other financial expenses	815.804	841.758	7	4
	<b>815.804</b>	<b>841.758</b>	<b>1.401</b>	<b>680</b>

## Notes to the Financial Statements

	Koncern		Morderselskab	
	2019/20	2018/19	2019/20	2018/19
	DKK	DKK	DKK	DKK
<b>6 Tax on profit/loss for the year</b>				
Current tax for the year	1.954.378	1.768.959	-2.344	-4.598
Deferred tax for the year	-168.814	48.674	0	0
Adjustment of tax concerning previous years	-24	337.940	0	0
	<b>1.785.540</b>	<b>2.155.573</b>	<b>-2.344</b>	<b>-4.598</b>

### 7 Intangible assets

#### Koncern

	Goodwill DKK
Cost at 1 July	83.749.891
Cost at 30 June	83.749.891
Impairment losses and amortisation at 1 July	64.648.476
Amortisation for the year	3.480.192
Impairment losses and amortisation at 30 June	68.128.668
<b>Carrying amount at 30 June</b>	<b>15.621.223</b>

# Notes to the Financial Statements

## 8 Property, plant and equipment

### Koncern

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 July	15.678.333	2.465.792
Additions for the year	1.380.440	51.750
Disposals for the year	-1.150.935	-153.307
Cost at 30 June	<u>15.907.838</u>	<u>2.364.235</u>
Impairment losses and depreciation at 1 July	11.363.908	1.018.943
Depreciation for the year	2.189.238	230.635
Reversal of impairment and depreciation of sold assets	-1.138.546	-89.321
Impairment losses and depreciation at 30 June	<u>12.414.600</u>	<u>1.160.257</u>
<b>Carrying amount at 30 June</b>	<b><u>3.493.238</u></b>	<b><u>1.203.978</u></b>

### Moderselskab

## 9 Investments in subsidiaries

	2020 DKK	2019 DKK
Cost at 1 July	<u>6.040.817</u>	<u>6.040.817</u>
Cost at 30 June	<u>6.040.817</u>	<u>6.040.817</u>
Value adjustments at 1 July	4.573.140	3.336.951
Exchange adjustment	9.981	-3.354
Net profit/loss for the year	-1.701.773	1.089.466
Other adjustments	<u>0</u>	<u>150.077</u>
Value adjustments at 30 June	<u>2.881.348</u>	<u>4.573.140</u>
<b>Carrying amount at 30 June</b>	<b><u>8.922.165</u></b>	<b><u>10.613.957</u></b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Spring Family ApS	Aarhus	1.000.000	54%	16.522.527	-3.151.431

# Notes to the Financial Statements

## 10 Investments in associates

Cost at 1 July	8.000	0	0	0
Additions for the year	<u>0</u>	<u>8.000</u>	<u>0</u>	<u>0</u>
Cost at 30 June	<u>8.000</u>	<u>8.000</u>	<u>0</u>	<u>0</u>
Net profit/loss for the year	<u>-3.766</u>	<u>0</u>	<u>0</u>	<u>0</u>
Value adjustments at 30 June	<u>-3.766</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Carrying amount at 30 June</b>	<b><u>4.234</u></b>	<b><u>8.000</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

Investments in associates are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Working Minds ApS	Roskilde	40.000	20%	40.000	-18.829

## 11 Other fixed asset investments

	<b>Koncern</b>
	Other receiv- ables DKK
Cost at 1 July	327.278
Additions for the year	<u>73.816</u>
Cost at 30 June	<u>401.094</u>
<b>Carrying amount at 30 June</b>	<b><u>401.094</u></b>

## 12 Other receivables

Of This DKK 565,583 falls due after 1 year.

## Notes to the Financial Statements

	Koncern		Moderselskab	
	2020	2019	2020	2019
	DKK	DKK	DKK	DKK
<b>13 Deferred tax asset</b>				
Intangible assets	-924.500	-827.700	0	0
Property, plant and equipment	-325.000	-346.700	0	0
Contract work in progress	549.300	576.200	0	0
Amortization	-40.600	-5.600	0	0
Diverse hensættelser	-152.578	-120.764	0	0
Transferred to deferred tax asset	893.378	724.564	0	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Deferred tax has been provided at 22% corresponding to the current tax rate.

### Deferred tax asset

Calculated tax asset	893.378	724.564	0	0
<b>Carrying amount</b>	<b>893.378</b>	<b>724.564</b>	<b>0</b>	<b>0</b>

The company expects to use the tax assets recognised.

## 14 Prepayments

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

## 15 Equity

The share capital consists of 542,400 shares of a nominal value of DKK 1. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

## Notes to the Financial Statements

### 16 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Koncern		Morderselskab	
	2020 DKK	2019 DKK	2020 DKK	2019 DKK
<b>Credit institutions</b>				
Between 1 and 5 years	4.791.109	10.050.516	0	0
Long-term part	4.791.109	10.050.516	0	0
Within 1 year	1.467.000	1.987.000	0	0
Other short-term debt to credit institutions	4.172.585	15.205.910	0	0
Short-term part	5.639.585	17.192.910	0	0
	<b>10.430.694</b>	<b>27.243.426</b>	<b>0</b>	<b>0</b>
<b>Other payables</b>				
Between 1 and 5 years	4.292.391	0	0	0
Long-term part	4.292.391	0	0	0
Other short-term payables	22.160.389	12.990.089	8.249	19.313
	<b>26.452.780</b>	<b>12.990.089</b>	<b>8.249</b>	<b>19.313</b>

### 17 Deferred income

Prepayments and accrued income relate to prepayments received relating to income in subsequent years.

## Notes to the Financial Statements

	Koncern	
	2019/20	2018/19
	DKK	DKK
<b>18 Cash flow statement - adjustments</b>		
Financial income	-461.303	-360.056
Financial expenses	815.804	841.758
Depreciation, amortisation and impairment losses, including losses and gains on sales	5.976.885	5.324.832
Income from investments in associates	3.766	0
Tax on profit/loss for the year	1.785.540	2.155.573
Other adjustments	18.036	-13.544
	<b>8.138.728</b>	<b>7.948.563</b>

## Notes to the Financial Statements

	<b>Koncern</b>	
	2019/20	2018/19
	DKK	DKK
<b>19 Cash flow statement - change in working capital</b>		
Change in receivables	1.734.464	-5.795.231
Change in trade payables, etc	15.064.437	-1.629.762
	<b>16.798.901</b>	<b>-7.424.993</b>

## 20 Contingent assets, liabilities and other financial obligations

### Charges and security

#### Group

An all monies mortgage of DKK 39,000k has been provided as security for the exposure with Nordea Bank A/S, securing a company charge over receivables from sale, other plant, operating equipment and inventory as well as goodwill. Book value of the said assets totals DKK 26,010k. Bank loans amount to DKK 5,623k on 30 June 2020.

Shares in the Company's subsidiary, nominally DKK 1,000k, have been provided as security for the exposure of its subsidiary and affiliated companies with Nordea Bank. Equity amounts to DKK 16,523k as at 30 June 2020, and bank loans total DKK 6,743k.

#### Parent Company

The Company's shares, nominally 540 (of a total nominal amount of DKK 542.4k) have been provided as security for the subsidiary's exposure with Nordea Bank. Bank loans amount to DKK 2,477k as at 30 June 2020, and company equity totals DKK 16,523k.



## Notes to the Financial Statements

### 20 Contingent assets, liabilities and other financial obligations (continued)

#### Group

Tenancy agreements, including parking spaces, have been entered into with a period of notice of six months; the liability amounts to DKK 691k.

In addition, a lease non-terminable before 31 December 2020 has been signed; the liability amounts to DKK 1,020k. Subsequently, the notice period of this lease is six months.

A lease agreement on copying machines and software has been entered into. Liability in the remaining lease term totals DKK 210k and DKK 50k, respectively

Lease agreements on cars, etc. have been concluded, and the remaining liability constitutes DKK 6,276k.

A performance guarantee in the amount of DKK 88k has been provided to the Capital Region of Denmark.

The Company's affiliated company has issued a letter of financial support to the companies ZUPA Copenhagen A/S and ZUPA BrandBox A/S.

The group companies are jointly and severally liable for tax on the jointly taxed income of the Group etc. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, royalty tax and tax on unearned income. Any subsequent adjustments to corporation taxes and withholding taxes may imply that the Company's liability is higher

#### Parent Company

The Company's affiliated company has issued a letter of financial support to the companies ZUPA Copenhagen A/S and ZUPA BrandBox A/S.

# Notes to the Financial Statements

## 21 Related parties

### Basis

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#### Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Albert Crilles Sebastian Funder, Koldingvej 22, Vester Nebel, 6040 Egtved

Mogens Kristensen, J. Skjoldborgsvej 35, 8230 Åbyhøj

Lars Bo Hansen, Zachariasvej 4, Hjallesø, 5260 Odense S

Mads Heide Mikkelsen, Miltonsvej 14, 8270 Højbjerg

Lone Kragh, H.C. Ørsteds Vej 25, 8260 Viby J

Michael Kaltoft Paterson, Sandgravvej 6, 4 th., 8000 Aarhus C

# Notes to the Financial Statements

## 22 Accounting Policies

The Annual Report of Spring Partner Holding ApS for 2019/20 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated and Parent Company Financial Statements for 2019/20 are presented in DKK.

### 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.

### Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Spring Partner Holding ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

# Notes to the Financial Statements

## 22 Accounting Policies (continued)

### Business combinations

#### Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

#### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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 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.

## Income Statement

### Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the

# Notes to the Financial Statements

## 22 Accounting Policies (continued)

stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

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

### **Expenses for consumables**

Expenses for consumables comprise the consumables consumed to achieve revenue for the year.

### **Other external expenses**

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

### **Staff expenses**

Staff expenses comprise wages and salaries as well as payroll expenses.

### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### **Other operating income and expenses**

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

### **Income from investments in subsidiaries and associates**

Dividends from associates are recognised as income in the income statement when adopted at the General Meeting of the associate. However, dividends relating to earnings in the associate before it was acquired by the Parent Company are set off against the cost of the associate.

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

# Notes to the Financial Statements

## 22 Accounting Policies (continued)

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

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

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

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

## Balance Sheet

### Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 10-20 years.

### 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:

Other fixtures and fittings,	
tools and equipment	1-10 years
Leasehold improvements	10 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 14,100 are expensed in the year of acquisition.

# Notes to the Financial Statements

## 22 Accounting Policies (continued)

### 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.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

### Investments in subsidiaries and associates

Investments in associates are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

### Other fixed asset investments

Other fixed asset investments consist of deposits.

# Notes to the Financial Statements

## 22 Accounting Policies (continued)

### **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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

### **Contract work in progress**

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

### **Prepayments**

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

### **Equity**

#### ***Dividend***

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### ***Treasury shares***

Purchase and sales prices for treasury shares are recognised directly in retained earnings under equity. A reduction of capital by cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the shares and increases retained earnings. Dividend on treasury shares is recognised directly in equity under retained earnings.



# Notes to the Financial Statements

## 22 Accounting Policies (continued)

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

### Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

### Financial debts

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

Deferred income comprises payments received in respect of income in subsequent years.

## Cash Flow Statement

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

### Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

### Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible as-

# Notes to the Financial Statements

## 22 Accounting Policies (continued)

sets, property, plant and equipment as well as fixed asset investments.

### Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

### Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand" and "Overdraft facilities".

The cash flow statement cannot be immediately derived from the published financial records.

## Financial Highlights

### Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$