Byens Bilpleje Holding II ApS

Vesterballevej 1
7000 Fredericia
CVR No. 39207044

Annual report 2022

The Annual General Meeting adopted the annual report on 29.06.2023

Dennis Odgaard
Chairman of the General Meeting

Contents

Entity details

Entity
Byens Bilpleje Holding II ApS

Vesterballevej 1

7000 Fredericia

Business Registration No.: 39207044

Registered office: Fredericia

Financial year: 01.01.2022 - 31.12.2022

Board of Directors
Jens Jørgen Jessen Bjerrisgaard, Chairman

Karsten Brøchner

Leon Clausen

Dennis Odgaard

Morten Kollerup Nielsen

Kim Mølgaard

Executive Board
Dennis Odgaard

Auditors
Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Byens Bilpleje Holding II ApS for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022.

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

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

Fredericia, 29.06.2023

Executive Board

Dennis Odgaard

Board of Directors

Jens Jørgen Jessen Bjerrisgaard
Chairman

Karsten Brøchner

Leon Clausen

Dennis Odgaard

Morten Kollerup Nielsen

Kim Mølgaard

Independent auditor's report

To the shareholders of Byens Bilpleje Holding II ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Byens Bilpleje Holding II ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 financial statements" section of this auditor’s report. We are independent of the Group in accordance with the International Ethics Standards Board of 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Entity’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the consolidated financial statements and the parent 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 Entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient and 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 commentary

Management is responsible for the management commentary.

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

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

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

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

Kolding, 29.06.2023

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Allan Trolle Pedersen
State Authorised Public Accountant
Identification No (MNE) mne34339

Management commentary

Financial highlights

	2022 DKK'000	2021 DKK'000	2020 DKK'000	2019 DKK'000	2018 DKK'000
Key figures					
Revenue	265,097	269,007	291,083	302,463	205,877
Gross profit/loss	171,152	178,897	195,208	196,956	140,209
Operating profit/loss	(46,244)	(7,794)	6,585	8,897	8,598
Net financials	50,680	(7,830)	(5,862)	(6,631)	(4,544)
Profit/loss for the year	7,723	(15,140)	(1,694)	(730)	1,462
Profit for the year excl. minority interests	7,723	(15,510)	(4,160)	(3,680)	2,897
Balance sheet total	256,344	331,999	330,937	305,939	290,494
Investments in property, plant and equipment	10,565	11,194	13,712	39,598	55,704
Equity	88,049	70,467	113,215	117,599	107,707
Equity excl. minority interests	88,049	70,467	104,075	110,525	100,137
Cash flows from operating activities	(21,930)	39,090	57,905	28,758	28,315
Cash flows from investing activities	(2,251)	(43,027)	(16,626)	(32,033)	(249,089)
Cash flows from financing activities	1,422	13,795	(6,057)	3,538	230
Average number of employees	349	378	401	437	370
Ratios					
Gross margin (%)	64.56	66.50	67.06	65.12	68.10
Net margin (%)	2.91	(5.63)	(0.58)	(0.24)	0.71
Equity ratio (%)	34.35	21.23	31.45	36.13	34.47

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):
<u>Gross profit/loss * 100</u>
Revenue

Net margin (%):
<u>Profit/loss for the year * 100</u>
Revenue

Equity ratio (%):
<u>Equity excl. minority interests * 100</u>
Balance sheet total

Primary activities

The activity of the Company is to hold shares inpublic and private limited companies as well asrelated activities.The activity of the Group is general car careoperations, including body finish, under-bodycoating, preparation, etc in Denmark and Sweden.

Development in activities and finances

The income statement of the Group for 2022 shows a profit of DKK 7,723k and at 31 December 2022 the balance sheet of the Group shows equity of DKK 88,049k.

Please refer to comments given in note 1 of the consolidated financial statement for a description of the special items effecting the financial statements for 2022.

Profit/loss for the year in relation to expected developments

The Management is satisfied with the result and the result in in line with the expectations.

Uncertainty relating to recognition and measurement

Please refer to comments given in note 2 of the consolidated financial statements.

Outlook

Management expects activity and earnings at a lower level for 2023 due to increase in interest rates etc.

Environmental performance

The Group is engaged in car care and preparation products, painting as well as under-body coating products. The products are used at the Company's repair shops throughout Denmark. The Group focuses on reducing its impact on the external environment, and considerable resources are spent on compliance with environmental requirements and rules at all of the Company's locations.

Statutory report on corporate social responsibility

Business model

Byens Bilpleje.com A/S was founded in 1997 with the object of offering cosmetic preparation of cars. Since then, the business has grown steadily; today, the Company employs more than 350 people who annually service more than 160,000 cars. It is the Company's vision to meet all cosmetic car maintenance needs in one location. This means that customers only need to contact a single place, which is often a great advantage in a busy life. At Byens Bilpleje, we are specialists in cosmetic preparation, car painting, dent repair, auto glass replacement and underbody corrosion protection. Through our long-standing expertise, we have become one of Denmark's largest automotive painting businesses, as well as the largest single preparation business in Denmark. Our minimum goal is to defend these positions in order to remain the preferred partner of the automotive industry.

Material risks relating to corporate socialresponsibility

By virtue of our business model, we are making an extra effort in the key areas of employee relations, the environment and climate to reduce energy consumption, ensure orderly working conditions and correct handling of chemicals, including flammable and hazardous materials etc. Our efforts to reduce these risks, including our efforts to ensure respect for human rights and our anti-corruption and anti-bribery measures, will be described in the respective sections below. The Company assesses the risk of a negative impact on human rights and the existence of corruption and bribery as very limited. Nevertheless, Management has chosen to provide guidelines to ensure that everyone – employees as well as business partners– is updated and fully aware how to act to ensure that the Company does not engage in unethical business conduct.

Environmental and climate policy
At the beginning of 2019, Byens Bilpleje prepared an environmental policy with the objective of reducing any negative environmental impacts of the Company's activities on the surrounding environment while reducing the costs of energy, water and cleaning materials as well as wastage without compromising on the quality of our services. Another objective of the environmental policy is to involve employees in the quality and environmental efforts so that each individual employee knows how to contribute eco-friendly choices in the day-to-day work.

Efforts and results in 2022
Our environmental policy efforts have specifically resulted in a reduction of the number of products purchased by the Company in 2022 with the objective of using fewer and more environmentally sound products. In 2022, all repair shops more over continued to maintain the required environmental approvals relating to the safe handling of waste oil etc. Finally, the Company has maintained its KS2000 certification relating to quality assurance, which is in demand by the Company's largest business partners, as well as its ATEX certification relating to correct waste handling of paint and other chemical residues. A sustainable roadmap for the waste is running with partner ABAS.

Policy on employee relations and human rights
In 2020 Byens Bilpleje perpared a employee code of conduct. Byens Bilpleje does not have a complex supply chain and does not use suppliers outside Europe that could involve a risk of the use of forced labour and child labour. The Company recruits 20-30 % of its employees from Eastern Europe where the approach to working environment and safety may differ from that of Denmark. For that reason, the Company has incorporated respect for human rights – including in particular employee rights – into its guidelines, and all employees receive an employment contract before their first day of work. It is moreover ensured that all employees hold valid work permits.

It is the Company's policy to work for a healthy and safe working environment by preventing injuries and work-related illness. The Company has an employee manual that is distributed to new employees and provides guidelines as to how employees of Byens Bilpleje are expected to perform their work, both in relation to customers but also as colleagues. The manual finally sets out the rights of employees of Byens Bilpleje.

Efforts and results in 2022
The company managed to reduce number of works accidents and sickness in generel significantly dyring 2022

Anti-corruption and anti-bribery
Byens Bilpleje complies with existing legislation at all times and accepts no form of corruption or bribery. Even if the risk of attempts at corruption and bribery is assessed as negligible, the Company has chosen to introduce a non-cash policy implying that employees are not allowed to receive cash. This has been backed up by the introduction of MobilePay in all departments.

Efforts and results in 2022
The Company continued the non-cash system in 2022. Moreover, Management was in an ongoing dialogue with selected business partners to ensure compliance with all existing legislation in the area in 2022. Finally, inquiry lines are kept open to the main office in Fredericia allowing all employees of the Company to ask questions should doubt arise as to the code of ethics. As a result of the efforts to ensure understanding of the Company's zero tolerance against corruption and bribery, Management did not identify any attempts at corruption, bribery or any other violation of legislation in 2022. A mandatory whistle blower setup has been implemented during 2022 to further support the anti-corruption and anti-bribery efforts of the Group.

Statutory report on the underrepresented gender

The supreme governing body of Byens Bilpleje.com A/S is the Board of Directors consisting of six members elected by the general meeting who are all men. The Board of Directors has defined a target of having one woman on the Board of Directors by 2024. The target was not achieved in 2022.

Gender representation at other management levels

Byens Bilpleje belongs to a traditionally male-dominated industry, which is indeed reflected in the gender composition of its employees. The Company does, however, intend to continue working at increasing the share of women, including female managers, where and when possible. At the end of 2022, the Executive Board still consists of six male members. There is one female middle manager at the second management level and there are also a number of female departmental managers. The efforts to increase the share of female managers specifically consist in generating interest in the industry by attempting to recruit more female apprentices. This has contributed towards the current level of four female apprentices within car painting. The Company makes an effort to retain and further train skilled and dedicated employees, female as well as male. Among other things, in-service training is offered; the Company also offers its own management training program, which was in 2022 completed by 3 female management trainees.

Statutory report on data ethics policy

Management has found that a policy for data ethics is not relevant as the Group only collects and process a limited amount of data. Further the Group does not apply new data driven technologies as part of the The Group main activities. The Group does not conduct specific dataanalytics, assesments or segmentations.

Events after the balance sheet date

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

Consolidated income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Revenue	3	265,097	269,007
Other operating income		1,769	3,505
Costs of raw materials and consumables		(39,549)	(41,470)
Other external expenses	4	(56,165)	(52,145)
Gross profit/loss		**171,152**	**178,897**
Staff costs	5	(155,932)	(165,049)
Depreciation, amortisation and impairment losses	6	(58,828)	(20,864)
Other operating expenses		(2,636)	(778)
Operating profit/loss		**(46,244)**	**(7,794)**
Other financial income		62,168	370
Other financial expenses		(11,488)	(8,200)
Profit/loss before tax		**4,436**	**(15,624)**
Tax on profit/loss for the year	7	3,287	484
Profit/loss for the year	8	**7,723**	**(15,140)**

Consolidated balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Goodwill		132,495	178,872
Intangible assets	9	**132,495**	**178,872**
Land and buildings		13,311	13,570
Other fixtures and fittings, tools and equipment		30,546	34,569
Leasehold improvements		5,007	7,543
Property, plant and equipment	10	**48,864**	**55,682**
Fixed assets		**181,359**	**234,554**
Raw materials and consumables		4,238	3,773
Inventories		**4,238**	**3,773**
Trade receivables		32,410	31,697
Other receivables		4,513	4,706
Prepayments	11	709	1,341
Receivables		**37,632**	**37,744**
Cash		**33,115**	**55,928**
Current assets		**74,985**	**97,445**
Assets		**256,344**	**331,999**

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital	12	26,964	26,864
Retained earnings		61,085	43,603
Equity		**88,049**	**70,467**
Deferred tax	13	1,266	1,545
Other provisions	14	19,500	20,000
Provisions		**20,766**	**21,545**
Subordinate loan capital		0	26,874
Mortgage debt		4,568	5,100
Bank loans		0	80,986
Lease liabilities		5,980	5,086
Other payables	17	3,471	12,676
Deferred income		1,086	1,943
Non-current liabilities other than provisions	19	**15,105**	**132,665**

Current portion of non-current liabilities other than provisions	19	2,185	11,785
Payables to other credit institutions		59,948	0
Trade payables		12,588	14,398
Tax payable		248	2,023
Other payables		57,455	79,116
Current liabilities other than provisions		**132,424**	**107,322**
Liabilities other than provisions		**147,529**	**239,987**
Equity and liabilities		**256,344**	**331,999**

Unusual circumstances	1
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Unrecognised rental and lease commitments	21
Contingent liabilities	22
Assets charged and collateral	23
Transactions with related parties	24
Group relations	25
Subsidiaries	26

Consolidated statement of changes in equity for 2022

	Contributed capital DKK'000	Share premium DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	26,864	0	43,603	70,467
Increase of capital	100	9,900	0	10,000
Transferred from share premium	0	(9,900)	9,900	0
Exchange rate adjustments	0	0	(141)	(141)
Profit/loss for the year	0	0	7,723	7,723
Equity end of year	**26,964**	**0**	**61,085**	**88,049**

Consolidated cash flow statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Operating profit/loss		(46,244)	(7,794)
Amortisation, depreciation and impairment losses		58,885	21,303
Working capital changes	20	(34,046)	31,253
Cash flow from ordinary operating activities		**(21,405)**	**44,762**
Financial income received		9,730	370
Financial expenses paid		(11,488)	(6,209)
Taxes refunded/(paid)		1,233	167
Cash flows from operating activities		**(21,930)**	**39,090**
Acquisition etc. of intangible assets		(62)	(6,359)
Acquisition etc. of property, plant and equipment		(7,063)	(11,194)
Sale of property, plant and equipment		4,874	2,897
Acquisition of enterprises		0	(28,371)
Cash flows from investing activities		**(2,251)**	**(43,027)**
Free cash flows generated from operations and investments before financing		**(24,181)**	**(3,937)**
Loans raised		0	15,989
Repayments of loans etc.		(8,578)	(2,194)
Cash capital increase		10,000	0
Cash flows from financing activities		**1,422**	**13,795**
Increase/decrease in cash and cash equivalents		**(22,759)**	**9,858**

Cash and cash equivalents beginning of year	55,928	46,070
Currency translation adjustments of cash and cash equivalents	(54)	0
Cash and cash equivalents end of year	**33,115**	**55,928**

Cash and cash equivalents at year-end are composed of:

Cash	33,115	55,928
Cash and cash equivalents end of year	**33,115**	**55,928**

Notes to consolidated financial statements

1 Unusual circumstances

Under "Other operating income" DKK 1,524k (2021: DKK 3.648k) has been recognized regarding aid package on compensation for fixed costs for companies under financial crisis due to COVID-19. The compensation for fixed costs primarily concerns costs recognized under "Other external expenses".

As part of the Groups restructuring the Group has received debt foregiveness from the Groups bank and other parties.

As for the debt foregiveness from the bank that is considered to be unconditional the owner companies consisting of Byens Bilpleje Holding ApS, Byens Bilpleje Holding II ApS, Mokoni Holding ApS and Dennis Odgaard Holding ApS have entered into an agreement with the bank that obligates these to pay part of the proseeds, maximized at the nominal value of the debt in the event of distribution of dividends, sale of activities or shares in subsidiaries.

Fair value of the debt foregiveness is as a consequence hereof recognized as a other provisions as there is uncertainty with regards to the timing of the payment. The difference between the nomial value and fair value of the debt foregiveness has been recognized in the income statement, totalling DKK'000 5,700.

As part of the agreement owner companies has forgiven debt amounting to DKK'000 29,024.

Further DKK'000 20.000 that were previously recognized as other provisions regarding an earn-out has been derecognized also thorugh the income statement as the basis for recognition is no longer present due to the restructuring of the Group.

A number of subsidiaries in the Group entered into formal restructutring on 30.11.2022. The formal restructuring ended 17.03.2023.

The Group financial statements are effected by this with a total of DKK'000 7,700 recognized under other financial income less non-recurring costs in connection with the formal restructuring that has been recognized under other external expenses.

In connection with the restructuring Management has carried out an impairment test of goodwill based on expectation to the future earnings and other assumptions, including discount rates etc. which has resulted in an impairment loss of DKK'000 29,600.

2 Uncertainty relating to recognition and measurement

In connection with the financial reporting the carrying value of goodwill has been testet for impairment using a discounted cash flow model (DCF-model) The test has been based on the Groups budgets and forecasts.

The key assumptions are:
- Expected cash flows have been discounted with a rate of 10.75%.
- The average growth in revenue over the 3 year budget period is 4%.
- The expected growth in the terminal period is 1.5%.
- The average EBTIDA margin over the 3 year budget period is 8.4%.

Changes in the key assumptions will effect the impairment and will likely be matrial.

3 Revenue

	2022 DKK'000	2021 DKK'000
Denmark	252,342	258,169
Sweden	12,755	10,838
Total revenue by geographical market	**265,097**	**269,007**

4 Fees to the auditor appointed by the Annual General Meeting

	2022 DKK'000	2021 DKK'000
Statutory audit services	395	375
Other assurance engagements	90	166
	485	**541**

5 Staff costs

	2022 DKK'000	2021 DKK'000
Wages and salaries	135,592	144,770
Pension costs	14,958	14,905
Other social security costs	5,382	5,374
	155,932	**165,049**
Average number of full-time employees	**349**	**378**

	Remuneration of management 2021 DKK'000
Executive Board	1,980
	1,980

For 2022 only the Executive Board consisting of one person has received remuneration and no disclosure is required according to the Danish Financial Statements Act section 98b, 2

6 Depreciation, amortisation and impairment losses

	2022 DKK'000	2021 DKK'000
Amortisation of intangible assets	12,944	11,800
Impairment losses on intangible assets	33,401	0
Depreciation on property, plant and equipment	12,483	9,064
	58,828	**20,864**

7 Tax on profit/loss for the year

	2022 DKK'000	2021 DKK'000
Current tax	248	2,186
Change in deferred tax	(2,611)	(3,037)
Adjustment concerning previous years	(75)	367
Refund in joint taxation arrangement	(849)	0
	(3,287)	**(484)**

8 Proposed distribution of profit/loss

	2022 DKK'000	2021 DKK'000
Retained earnings	7,723	(15,510)
Minority interests' share of profit/loss	0	370
	7,723	**(15,140)**

9 Intangible assets

	Goodwill DKK'000
Cost beginning of year	226,990
Additions	62
Disposals	(338)
Cost end of year	**226,714**
Amortisation and impairment losses beginning of year	(48,118)
Impairment losses for the year	(33,401)
Amortisation for the year	(12,856)
Reversal regarding disposals	156
Amortisation and impairment losses end of year	**(94,219)**
Carrying amount end of year	**132,495**

10 Property, plant and equipment

	Land and buildings DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	15,815	69,331	14,933
Exchange rate adjustments	0	(276)	(33)
Additions	192	10,006	367
Disposals	0	(7,523)	(1,764)
Cost end of year	**16,007**	**71,538**	**13,503**
Depreciation and impairment losses beginning of year	(2,245)	(34,762)	(7,390)
Exchange rate adjustments	0	244	2
Impairment losses for the year	0	(220)	0
Depreciation for the year	(451)	(9,658)	(2,117)
Reversal regarding disposals	0	3,404	1,009
Depreciation and impairment losses end of year	**(2,696)**	**(40,992)**	**(8,496)**
Carrying amount end of year	**13,311**	**30,546**	**5,007**
Recognised assets not owned by Entity	0	13,261	0

11 Prepayments

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

12 Contributed capital

	Number	Nominal value DKK'000
A-shares	26,863,693	26,863,693
B-shares	100,000	100
	26,963,693	**26,863,793**

13 Deferred tax

Changes during the year	2022 DKK'000	2021 DKK'000
Beginning of year	1,545	1,653
Recognised in the income statement	(2,611)	(3,037)
Tax losses utilized in joint taxation	2,332	2,929
End of year	**1,266**	**1,545**

Deferred tax relates to intangible assets, property, plant and equipment, tax losses for and other provisions.

14 Other provisions

Other provisions relates to the agreement with the bank mentioned in note 1.

15 Subordinate loan capital

Subordinate loan capital is subordinated to the Groups debt to banks and other credt institutions. As for other debt in general the subordinated loan capital is partly subordinated. The extent of subordination is depended upon earnings key figures at the time of incurrence of the other debt and does not cover debt to the Group ultimate parent or former shareholders.

16 Bank loans

The Groups bank agreement is extented yearly no later than 30.09. Hence all bank debt is consideres to be short term debt. However no more than DKK'000 5,000 is expected to be repaid when the agreement is extented.

17 Other payables

	2022 DKK'000	2021 DKK'000
Holiday pay obligation	3,471	3,443
Other costs payable	0	9,233
	3,471	**12,676**

18 Deferred income

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

19 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK'000	Due within 12 months 2021 DKK'000	Due after more than 12 months 2022 DKK'000	Outstanding after 5 years 2022 DKK'000
Mortgage debt	394	426	4,568	2,614
Bank loans	0	8,900	0	0
Lease liabilities	1,791	2,459	5,980	793
Other payables	0	0	3,471	0
Deferred income	0	0	1,086	0
	2,185	**11,785**	**15,105**	**3,407**

20 Changes in working capital

	2022 DKK'000	2021 DKK'000
Increase/decrease in inventories	(465)	698
Increase/decrease in receivables	112	1,452
Increase/decrease in trade payables etc.	(33,693)	29,103
	(34,046)	**31,253**

21 Unrecognised rental and lease commitments

	2022 DKK'000	2021 DKK'000
Total liabilities under rental or lease agreements until maturity	**27,146**	**34,101**

22 Contingent liabilities

The Parent and the Danish subsidiaries participate in a Danish joint taxation arrangement in which Freeze HoldCo ApS serves as the administration company in the period 01.01.2022 - 08.07.2022 and from then on in a Danish joint taxation arragement in which Dennis Odgaard Holding ApS serves at the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Parent and the Danish subsidiaries are therefore secondarily liable for income taxes etc. for the jointly taxed entities, limited to the equity interest by which the Entity participates in the Group, and also secondarily liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

23 Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties. The mortgage also comprises the plant and machinery deemed part of the property.

Bank loans are secured by way of a deposited mortgage deed registered to the mortgagor on plant of DKK 1,500 nominal.

The carrying amount of mortgaged properties is DKK 13,311 and the carrying amount of mortgaged plant is DKK 0.

24 Non-arm’s length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Dennis Odgaard Holding ApS, Fredericia, Denmark is principal shareholder and have controlling interest.

25 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Dennis Odgaard Holding ApS, Fredericia, Denmark

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Dennis Odgaard Holding ApS, Fredericia, Denmark

26 Subsidiaries

	Registered in	Corporate form	Ownership %
Byens Bilpleje Holding ApS	Fredericia	ApS	100

Parent income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Other external expenses		(6)	(7)
Gross profit/loss		**(6)**	**(7)**
Income from investments in group enterprises		7,450	(15,505)
Other financial income	1	358	0
Profit/loss before tax		**7,802**	**(15,512)**
Tax on profit/loss for the year	2	(79)	2
Profit/loss for the year	3	**7,723**	**(15,510)**

Parent balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Investments in group enterprises		88,022	70,712
Financial assets	4	**88,022**	**70,712**
Fixed assets		**88,022**	**70,712**
Deferred tax	5	0	2
Receivables		**0**	**2**
Cash		**109**	**116**
Current assets		**109**	**118**
Assets		**88,131**	**70,830**

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital		26,964	26,864
Retained earnings		61,085	43,603
Equity		**88,049**	**70,467**
Other payables	6	0	358
Non-current liabilities other than provisions	7	**0**	**358**
Trade payables		5	5
Tax payable		77	0
Current liabilities other than provisions		**82**	**5**
Liabilities other than provisions		**82**	**363**
Equity and liabilities		**88,131**	**70,830**
Employees	8		
Contingent liabilities	9		
Assets charged and collateral	10		
Related parties with controlling interest	11		
Transactions with related parties	12		

Parent statement of changes in equity for 2022

	Contributed capital DKK'000	Share premium DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	26,864	0	43,603	70,467
Increase of capital	100	9,900	0	10,000
Transferred from share premium	0	(9,900)	9,900	0
Other entries on equity	0	0	(141)	(141)
Profit/loss for the year	0	0	7,723	7,723
Equity end of year	**26,964**	**0**	**61,085**	**88,049**

Notes to parent financial statements

1 Other financial income

	2022 DKK'000	2021 DKK'000
Other interest income	358	0
	358	**0**

2 Tax on profit/loss for the year

	2022 DKK'000	2021 DKK'000
Current tax	77	0
Change in deferred tax	2	(2)
	79	**(2)**

3 Proposed distribution of profit and loss

	2022 DKK'000	2021 DKK'000
Retained earnings	7,723	(15,510)
	7,723	**(15,510)**

4 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	117,971
Additions	10,000
Cost end of year	**127,971**
Impairment losses beginning of year	(47,259)
Adjustments on equity	(140)
Share of profit/loss for the year	7,450
Impairment losses end of year	**(39,949)**
Carrying amount end of year	**88,022**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

5 Deferred tax

	2022 DKK'000	2021 DKK'000
Tax losses carried forward	0	2
Deferred tax	**0**	**2**

Changes during the year	2022 DKK'000	2021 DKK'000
Beginning of year	1	1
Recognised in the income statement	2	2
Tax losses used in joint taxation	(1)	(1)
End of year	**2**	**2**

6 Other payables

	2022 DKK'000	2021 DKK'000
Other costs payable	0	358
	0	**358**

7 Non-current liabilities other than provisions

	Outstanding after 5 years 2022 DKK'000
Other payables	358
	358

8 Employees

The Company has no employees oither than the Executive Board which receives no remuneration.

9 Contingent liabilities

The Company has provided surety in respect of the accounts of Byens Bilpleje Århus ApS, Byens Bilpleje.com A/S and Byens Bilpleje Sjælland ApS. The total debt amounts to DKK'000 55,975

The Entity participates in a Danish joint taxation arrangement in which Freeze HoldCo ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore secondarily liable for income taxes etc. for the jointly taxed entities, limited to the equity interest by which the Entity participates in the Group, and also secondarily liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

10 Assets charged and collateral

11 Related parties with controlling interest

Dennis Odgaard Holding ApS, Fredericia Denmark is principal shareholder and have controlling interest.

12 Non-arm’s length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year. Some reclassification have been made within the balance sheet and income statement. None of these have any effect on the result or the equity amounts, however small changes to the total assets may occur.

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

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

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

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

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

Consolidated financial statements
The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation
The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group’s accounting policies.

Subsidiaries’ financial statement items are recognised in full in the consolidated financial statements. Minority interests’ pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries’ net assets at the takeover date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually.

The uniting-of-interests method is applied on acquisition of enterprises, mergers, demergers, contributions of assets and exchanges of shares, etc. in which the enterprises concerned are controlled by the Parent. Under the uniting-of-interests method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity. The comparative figures are restated.

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

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

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

Other external expenses

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

Staff costs

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

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

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

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

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

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

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

The Parent is jointly taxed with all of its Danish group enterprises and other Danish investments controlled by the Procuritas Capital Investors VI AB . The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill
Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The amortisation periods used are 10-20 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

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

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

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

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

	Useful life
Buildings	30 years
Other fixtures and fittings, tools and equipment	5-15 years
Leasehold improvements	5-15 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

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

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

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

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

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

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

Cost consists of purchase price plus delivery costs.

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

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

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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

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

Cash
Cash comprises cash in hand and bank deposits.

Minority interests
On initial recognition, minority interests are measured at fair value of the minority interests' equity interests. Goodwill related to the minority interests' equity interests in the acquiree is recognised.

Other provisions
Other provisions comprise anticipated costs of earn-out regarding investments in group entreprises.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Mortgage debt
At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Lease liabilities
Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

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

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

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

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.