

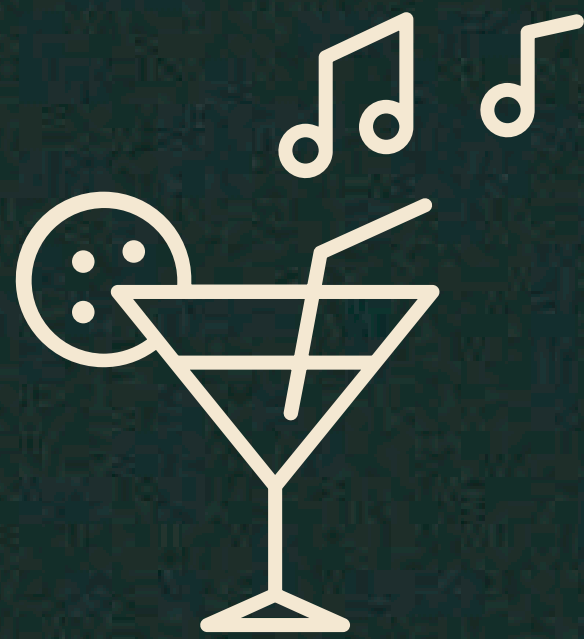


ANNUAL REPORT 2022

REKOM GROUP HOLDING



REKOM AT A GLANCE



215
VENUES



+6,850
EMPLOYEES



+15M
GUESTS ANNUALLY



+2.200 mDKK
REVENUE



+503 mDKK
EBITDA

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Statement from the Chairman

Back in business after COVID-19 at more than twice the size

In 2022 we could once again fully devote our hearts and minds to what we do best at REKOM: opening our doors to friendships and unforgettable moments and provide great experiences for all our guests. The lifting of the COVID-19 restrictions in the first quarter of 2022 was truly welcomed by our guests, who throughout the lockdowns had been waiting anxiously to get back to a normal social life. REKOM was ready to welcome them to re-join the party.

At REKOM we are devoted to professionalizing the nightlife industry. We believe that only through the introduction of business models and processes - which are standard in other parts of the experience economy and the retail industry - can we create the experiences we want to provide for our guests, and thereby establish the same level of value that a professional performing retail business can provide to its owners.

RECORD BREAKING REVENUE
2022 became the first year that REKOM realised a revenue of over bDKK 2,2 effectively a 240% increase since 2019, which was the last year of full operations prior to COVID-19. Since 2019, we have also grown our venue base from 115 to 208 (+7 franchises/leases) both organically and through acquisitions.

REKOM's ability to build clusters of well performing venues in the cities and markets in which we operate continues to create opportunities for new venues and the possibility to broaden the catchment of our clusters. This ability has provided the platform for REKOM to grow to become the largest nightlife operator in the Nordics (DK, NO, FI) and the largest non-listed bar-group in the UK.

We believe that we can do even more for our guests by introducing exciting new products. In 2022, in line with our brand building strategy, we marketed our own consumer brands in the beverage market, among others, through the introduction of Mundo Tequila and the craft beers Too Old to Die Young. The latter was made in cooperation with the experienced brew masters at the Too Old to Die Young brewery. REKOM will continue to use its scale and know-how to introduce new and complementary products to the market. We also believe that we can increase the quality of our guests' social life, through digitization and are applying this strategy through the continued development of our social community app, NightPay.

This signals that REKOM is broadening its business scope and moving from running an effective cluster venue

operation to also introducing targeted FMCGs and communicating digitally with our guests through NightPay. This, we believe, will bring an even more robust and profitable business.

Together these developments mean that we are moving from being a nightlife operator to becoming an international nightlife platform, developing complementary revenue streams that are based on branded products.

MARKET ENVIRONMENT

The Russian invasion and continuing war in Ukraine meant that the already rising inflation spiralled even higher. This means that REKOM - along with everyone else - experienced increasing cost for energy, produce, labour, and leases for our venues. REKOM has, to some extent, been able to mitigate the increased price pressure through cost reductions and price adjustments. However, through our different concepts REKOM is also present in consumer segments where price is the primary selling parameter. Hence, we will keep monitoring the effects that price adjustments have on the guest flow and react to the changed market conditions caused by higher inflation.

FINANCIAL PERFORMANCE

REKOM achieved revenues of mDKK 2,200 in 2022. This was in line with the upper range of our revenue forecast for the year of mDKK 2,000 to 2,200.

Operating profit before interest, tax, depreciation and amortisation (EBITDA) was mDKK 503. This is also in line with our EBITDA forecast for the year of mDKK 475 to 525. The EBITDA was impacted by higher costs and slightly lower turnout in Q4.

As a result, REKOM realised a profit before taxes of mDKK 20,8 in 2022 compared to a loss of mDKK 19,8 in 2021.

The overall results must be considered satisfactory especially considering the macro-economic uncertainties and the overall development in the hospitality industry. The strong results prove that even in tough times our business model remains resilient.

Overall, REKOM's financial position remains solid, and our cash-flow is positive in all markets.

LOOKING AHEAD

Global macro-economic and geopolitical uncertainties remain at an unprecedented high level. However, we remain positive that we can grow our business both organically and through further acquisitions in our existing markets.

Due to different macro-economic environments in our markets, we may see differences in how our markets develop in 2023. Thus, we will adapt our actions and measures based on an individual market approach to achieve our targets.

With that in mind we forecast a modest growth in 2023 and expect to reach a revenue in the range of mDKK 2,300-2,500 and an EBITDA in the range of mDKK 465-515.

Overall - and despite macro-economic uncertainties - we remain very confident about the future and the potential of REKOM both short and long term.

STRENGTHENING THE REKOM'S GOVERNANCE STRUCTURES TO REFLECTS THE SIZE OF THE COMPANY

In the board we monitor REKOM's execution on strategy on a continuous basis and overall, we are very satisfied with REKOM's performance. During 2023 the Board of Directors will broaden its work to match the size that REKOM has achieved. This includes the addition of an Audit Committee. The Audit Committee will work alongside the existing chairmanship and focus on overseeing financial reporting and strategy implementation. The Audit Committee will report directly to the Board of Directors. Further, it has been decided to establish an ESG Committee under the Board of Directors, which will provide guidance to and oversee the implementation of REKOM's ESG-strategy on behalf of the board. The changes to our governance structure are also explained in chapter 3 of our governance structure.



Statement from the CEO

2022 was the year REKOM became a nightlife platform

When we entered 2022 our business was still facing strict COVID-19 lockdowns in our Scandinavian markets. Even though it feels like a long time ago it is worth remembering that Denmark only reopened in February 2022, Norway in mid-February and Finland not until March. In essence the results REKOM have achieved in 2022 have been reached in only 10 to 11 months.

In last year's annual report, we wrote: "At REKOM we know that lockdowns are temporary and that the human desire to meet and bond socially will prevail". We were right! When all restrictions were finally lifted, we witnessed a strong comeback for our business and our industry.

We saw record turnout in all our markets and revenue records were set for consecutive weeks in a row. This we could not have achieved without the more than

6,850 people that work to make REKOM what it is - and creates those unforgettable moments for our more than 15 million annual guests.

I was grateful when 90% of our employees came back to work for us in 2021. This gave us an advantage relative to our competitors during the spell of freedom from COVID-19 in the autumn of 2021. So, when we were once again closed down during the winter of 2021 and 2022 it was not only a hit to our business but also a hard hit mentally to our employees. But once again our people came back in force - and I cannot hide my gratitude and pride in the resilience they showed and the effort they have put in to making this work.



FIVE GREAT MILESTONES REACHES IN 2022

2022 was also the year where we reached five important milestones in REKOM's short history. Milestones that make me proud of what we have achieved and underlines, that we have a huge potential to unleash as our rocket has landed and REKOM is reaching new levels of opportunities.

WE REACHED A REVENUE OF OVER DKK 2 BILLION

When 2022 began we forecasted that we would reach a revenue of between mDKK 2,000 and mDKK 2,200. We reached a revenue of mDKK 2,200. When we write this, it might seem trivial, but in fact this means that we have succeeded in growing our revenue by almost more than 240% since 2019 - which was the last year before COVID-19 closed our operations.

This is a strong testament to how we succeeded in using the COVID-19 crisis to bring our business forward with immense help from our people, and the trust shown in our business model from our investors and financial partners.

ECTS ACCREDITATION OF OUR VENUE MANAGER TRAINING COURSE

Providing leadership training and building the future leaders of our industry is a key priority in our ambition to professionalize the industry and make our industry and our company a career choice.

More than 140 leadership talents from four countries have completed our Venue Manager Training (VMT) course. The course gives them the opportunity to develop as leaders and take charge

of venues from very early on in their careers. In 2022 we have succeeded in having our VMT course ECTS accredited in Denmark, Norway and Finland - and we are working hard to gain the same recognition in the UK. By providing ECTS accredited training, we are also offering our talented leaders formal recognition of their skills. Recognition they can build on at college, university or to pursue a career outside our industry.

WE DIVERSIFIED OUR BUSINESS BY LAUNCHING NEW REVENUE STREAMS

In 2022, we have also successfully launched new revenue streams in line with our brand building strategy, where we seek to invest, develop, and launch brands that are complementary to our core business. The ambition is simply to use our core business to amplify revenue from our own branded products - products developed either by ourselves or in partnership with others.

We launched Mundo Tequila at all our venues in Denmark and it is also available in retail shops in Denmark. More than 31,000 bottles of Mundo Tequila have already been sold.

We have co-launched a selection of craft beers in partnership with the experienced brewery masters at "Too Old to Die Young". The beers have proven very successful at our venues, and our flagship beer bar "Too Old to Die Young" which opened in Copenhagen this year has been very well received by both our guests and pundits. We expect that the craft beers will become available in retail shops in Denmark during 2023.

Through the launch of our branded products, we have proven that we can use our core business as a vehicle to access key customer segments and successfully launch branded products through our venues and digital platform. We will continue to look for future possibilities to broaden this market by developing new branded products either ourselves or in close partnership with others.

WE PROVED, THAT WE CAN SEAMLESSLY INTEGRATE LARGE INTERNATIONAL ACQUISITIONS TO OUR GROUP

In 2022, we successfully migrated the UK business onto the REKOM platform, proving that we have the ability and the operational platform to seamlessly integrate large acquisitions into our operation.

With the Deltic Group acquisition in the UK during COVID-19 in 2020, we acquired a potential expansion of our business of almost 40%. This is a huge undertaking to integrate such a large business into one's own business model without losing momentum and having to give up on expected synergies. And I AM pleased to say that we have succeeded in integrating the UK business successfully and profitably. We have increased both revenue and margins - like for like - to Deltic's last year in full operation, 2019.

Just as importantly, we have also successfully exported our Scandinavian bar concepts, Heidi's Bier Bar and Proud Mary, to the UK market, where they have become among our best performing venues. And we have even exported the UK's Pryzm nightclub concept to Finland where it is operating successfully.

This gives us the confidence that we can take on and integrate even larger groups into our operating model without compromising on profitability.

WE PROGRESSED SIGNIFICANTLY ON OUR ESG AMBITIONS

In 2022 we made strong progress on our ESG ambitions and reached a number of key goals including a switch to green electricity at all Nordic venues as well as implementing our clean city initiatives for cleaner streets near venues. For a full introduction to our ESG and sustainability policies please see chapter 3, which also outlines our continued dedication and effort to drive the ESG agenda forward at our venues, in the way we run our business and in our industry.

This underlines that we understand that sustainability, including responsible business conduct, is critical to the continuous development of our business. The younger generations are deeply conscious of the need for all actors in society to work towards sustainability on all levels. Our business model depends on these generations both as valued employees and as guests at our venues. Hence, we will also continue to push and develop our ESG standards in line with UN and EU policies and regulation.





NEW STRATEGIC DIRECTION FOR 2023

2022 was in many ways a return to normality. But a new normality, as the war in Ukraine gave rise to spiralling energy prices and pushed an already rising inflation further up.

This has - as already mentioned by our chairman - also hit our business. However, we remain confident that our business model will prove resilient as the demand for social interactions among humans will prevail.

We may see a temporary downturn in the amount each guest spends and how often they go out. But as the inflation finds a new natural level and costs stabilize, we feel certain that our business will continue to boom.

Hence, and even though we will be cautious and cost aware, as uncertainties remain high, REKOM will be looking to continue our growth both through acquisition and organically. That also means that we will stay true to our ambition to become a global operator in the wet-led leisure industry as we continue to see a huge potential for consolidation within our industry.

To fulfill this ambition, we will launch a new strategy in 2023 as our rocket has landed and we are truly becoming a nightlife platform with complementary revenue streams.

Since 2018, we have guided our operations and growth based on "The Rocket Strategy", which was centered around a very strong core venue operation supported by investments into two complementary areas: Brand Building and Digitization.

In 2022 they have become truly independent pillars in their own right. Thus, we are pleased to say that we are ready to move towards our new strategy: "The Temple Strategy". Our Temple Strategy is built on the three distinct pillars: Venue Operations, Brand Building and Digitization. All three pillars are based on our solid operational backbone and our foundation that embodies our ambition to become a global platform for unforgettable moments through continued expansion across venues, events & festivals - fuelled by our own brands and digital products that can reach our guests in and outside our venues.

Hence, even though our direction and ambition remain unchanged, we are now propelling ourselves to new heights through a clear strategy that will guide us towards the next level in our ambition. We expect to launch our new strategy in Q2 of 2023 however the direction that has already been set as the new strategy is a natural extension of the Rocket Strategy which has successfully led us to become the largest nightlife group in Northern Europe.

SAME DIRECTION WITH NEW OPPORTUNITIES

The new strategic directions will reflect that we have:

- Succeeded in developing and launching branded products on our own and in cooperation with strong partners: products such as Mundo Tequila, Too Old to Die Young craft beers and I AM Rrinks.
- Succeeded in building a strong infrastructure as well as launching our own IT-operational platform "REKOM WORKSPACE". Furthermore, we are ready to internationalize NightPay as a digital social community for the nightlife users.
- Succeeded in creating a fuel base, where we continue to invest in our people and in professionalizing our industry. From setting new ESG-standards within the industry, to achieving above industry high employee meaningfulness, and becoming the first in our industry to provide ECTS accredited education and training to our talented employees.

In 2023 we will continue to invest heavily across all areas to ensure everyone who engages with REKOM continues to get unforgettable moments in accordance with the standard we strive to deliver.

With that in mind I remain cautiously optimistic that despite macro-economic uncertainties, 2023 will become another good year for our business.

Geographic Overview 2022

DENMARK

Revenue mDKK	Number of employees	Operating venues	Lease & franchise venues	Signed in pipeline
751	3,101	94	7	2

FINLAND

Revenue mDKK	Number of employees	Operating venues	Lease & franchise venues	Signed in pipeline
146	340	14	0	3

NORWAY

Revenue mDKK	Number of employees	Operating venues	Lease & franchise venues	Signed in pipeline
474	1,111	47	0	2

UK (England, Scotland, and Wales)

Revenue mDKK	Number of employees	Operating venues	Lease & franchise venues	Signed in pipeline
829	2,298	53	0	2



會家



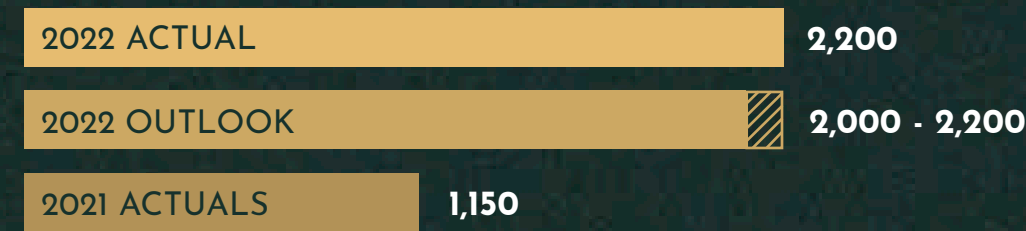
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Results

Financial Highlights 2022

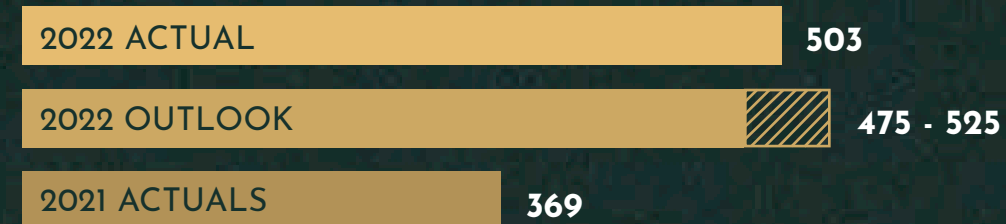
REVENUE mDKK

Revenue was up 91,2% for 2022, in line with our latest outlook. Growth compared to 2021 was driven by almost a full year of trading after COVID-19. Only January and February in the Nordics was affected by lockdowns and restrictions. We saw strong performance in the Nordics after reopening in February 2022.



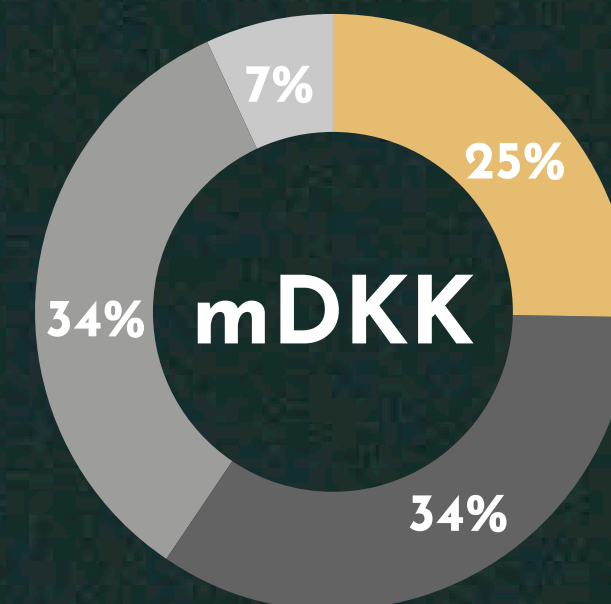
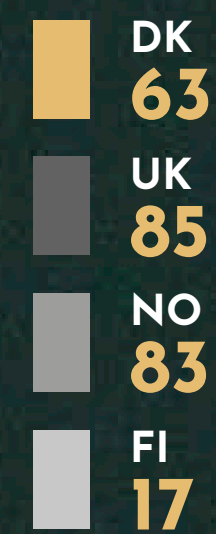
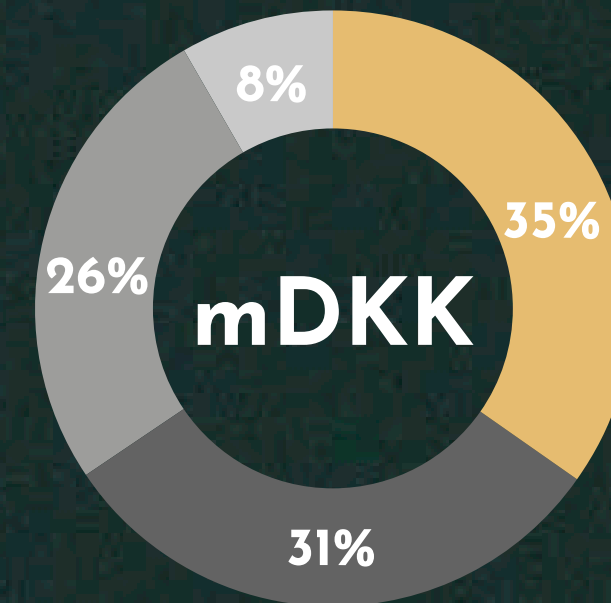
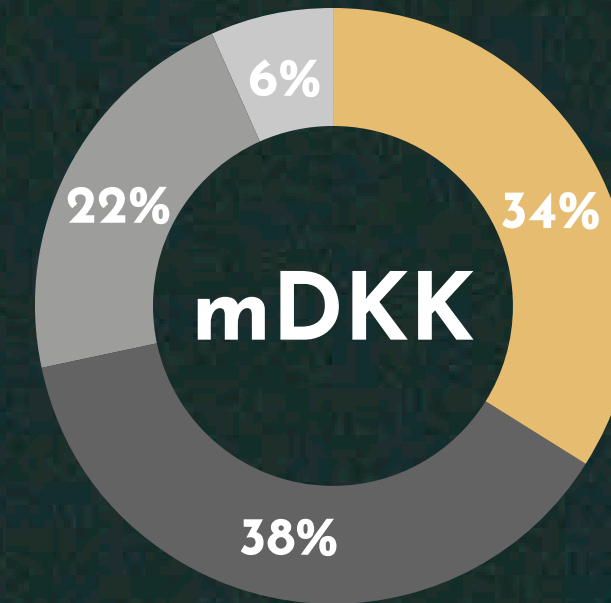
EBITDA mDKK

EBITDA before special items has grown from 369 mDKK to 503 mDKK and also in line with our latest outlook for the year. The growth has mainly been in the Nordics as the Nordic market was closed for a long time in 2021. The UK-market rebounded strongly in H2-2021 and therefore growth is less in UK in 2022.



EBIT mDKK

EBIT before special items was up 55% in 2022 to a level at 248 mDKK. Strong performance across all markets in open months in 2022 and especially the performance after the reopening in the Nordics in February 2022 has driven the growth.





Financial review

REKOM delivered strong results for 2022 achieving a 91% growth in revenue in line with the expected level of mDKK 2,000-2,200. EBITDA before special items was mDKK 503 also in line with our expectations.

INCOME STATEMENT (mDKK)

	2022	FORECAST 2022	2021	GROWTH
Revenue	2,200	2,000 - 2,200	1,150	91,3%
Costs of goods sold	-427		-213	
Gross profit	1,773		938	89,1%
Gross margin	80,6%		81,5%	
Other external expenses	-561		-311	
Staff costs	-775		-504	
Other operating income	67		246	
EBITDA before special items (IFRS)	503	475 - 525	369	
EBITDA margin	22,9%	21,6% - 26,25%	32,1%	
Depreciations, amortisations and impairment	-256		-209	
EBIT before special items	248		160	55,0%
EBIT margin	11,3%		13,9%	
Adjusted EBITDA (DK GAAP)				
EBITDA before special items (IFRS)	503		369	
Add back of rent	-189		-174	
Adjusted EBITDA before special items (DK GAAP)	314		195	61,1%

STRONG PERFORMANCE WITH MORE THAN mDKK 2,200 IN REVENUE IN AN EXTRAORDINARY YEAR

REKOM entered 2022 with continued COVID-19 lockdowns and restrictions in the Nordic Market and we were not able to open all venues until March 2022, when Finland - as the last country - lifted its restrictions.

In 2022 we witnessed a strong growth compared to 2021. The growth was strongest in our Nordic markets, as this region was most severely hit by COVID-19 restrictions in 2021. In the UK the restrictions were lifted in July 2021, and only minor COVID restrictions and recommendations influenced our business at the end of 2021 and in the beginning of 2022.

REKOM achieved the highest revenue and earnings in the first half of 2022. This was driven by a high customer demand which to some extent can be credited to the boomerang effect from the lifting of COVID-19 restrictions. The optimism and demand carried through the summer of 2022.

However, by mid-Q3 and in Q4, REKOM began to feel the effects of the change of wind in the macro-economy and all our markets experienced the effect of the rising inflation through higher cost related to products and energy.

In the UK we also witnessed a demand pressure in the latter part of Q4. This can

be attributed to the higher inflation in the UK compared to our other markets, and the associated increased living costs affecting our customers purchasing power.

Despite this, the revenue levels for the second half of 2022 REKOM were satisfactory. However, earnings were negatively affected by the increased costs due to inflation and the global macro-economic situation.

Hence, and in spite of the adverse macro-economic tendencies in the second half of 2022, we have realized satisfactory like-for-like result compared to 2021 proving that our business model is resilient.

In conclusion we regard 2022 performance as strong as we reached a revenue of mDKK 2,200 which represents a growth of 91,3% compared to 2021, and EBITDA of mDKK 503 under IFRS accounting principles. Adding back rent payments on leases we reached an adjusted EBITDA before special items of mDKK 314 which represents a growth of 61,1% compared to 2021. Adjusted EBITDA before special items is the formula most commonly used in the management reporting to the board and banks. And very importantly, we converted earnings to cash enabling us to increase our investments in growth in line with our strategy.

ADJUSTED FREE CASH FLOW mDKK

REKOM has an adjusted free cash flow in 2022 on mDKK 54. A decrease compared to 2021 on mDKK 362 that can be related to last years impressively turnaround in H2 and improvement in net working capital.

Year	Adjusted Free Cash Flow (mDKK)
2022	54
2021	362
2020	-248

ADJUSTED NET INTEREST BEARING DEBT (NIBD) mDKK

In 2022 REKOM increased its net bearing debt with mDKK 232. The increase was driven by investments in growth in all markets. REKOM has acquired or invested in new venues for mDKK 157 in 2022.

Year	Adjusted Net Interest Bearing Debt (mDKK)
2022	972
2021	740
2020	1,065

INJECTED CAPITAL FROM SHAREHOLDERS (EQUITY & VENDOR LOANS) mDKK

During the last three years REKOM has raised more than mDKK 300 in capital from shareholders through equity and vendorloans. This has been done to strengthen REKOMs financials position and to secure growth in all markets.

Year	Injected Capital (mDKK)
2022	8
2021	130
2020	159

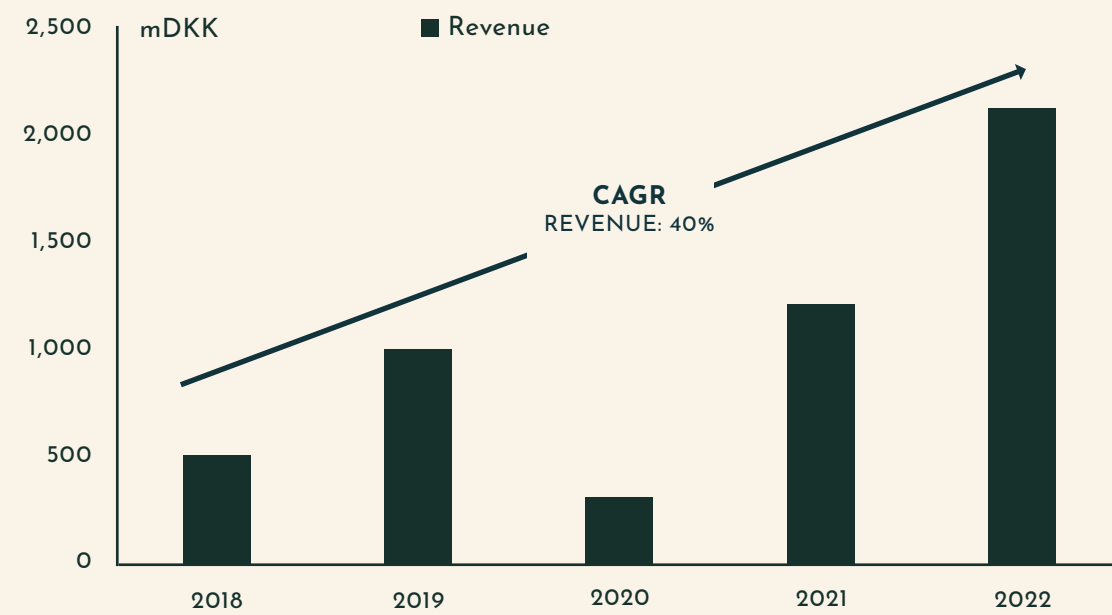
FINANCIAL OVERVIEW (mDKK)

	2022	2021	2020
Results			
Revenue	2,200,299	1,150,390	318,648
Gross profit	1,773,020	937,665	244,866
Operating profit before amortisation, depreciation, interests, tax and special items (EBITDA)	503,419	369,016	75,615
Earnings before interests, tax and special items (EBIT)	247,628	159,626	-67,910
Special Items	-34,237	-16,010	19,980
Net financial expenses	-192,546	-163,410	-115,835
Profit before tax	20,845	-19,794	-183,745
Loss for the year	-20,316	-26,890	-143,615
Cash flow			
Operating activities	265,414	441,683	-100,702
Investing activities	-330,210	-133,859	-171,988
Financing activities	-125,162	20,931	268,743
Acquisitions of subsidiaries	-78,077	-41,587	-113,012
Free cash flow	-64,796	307,824	-272,690
Investments in expansion of operations	-157,492	-93,223	-32,456
Adjusted free cash flow	53,705	361,929	-248,051
Net cash flow for the year	-189,958	328,755	-3,947
Balance sheet			
Equity	360,441	354,728	142,659
Balance sheet total	2,989,646	2,852,891	1,969,298
Net working capital	-201,101	-245,035	-18,443
Net interest-bearing debt (NIBD)	2,026,011	1,646,133	1,586,489
Adjusted net-interest bearing debt (excl. IFRS 16)	971,508	739,856	1,064,189
Invested capital	2,388,590	2,024,841	1,727,622
Financial ratios			
Revenue growth	91,3%	261,0%	-57,8%
Gross margin	80,6%	81,5%	76,8%
EBITDA margin	22,9%	32,1%	23,7%
Return on Equity (ROE)	-5,7%	-10,8%	-8,0%
Return on Invested Capital (ROIC)	12,8%	9,4%	-5,0%
Solvency ratio	17,6%	18,5%	22,0%
Solvency ration excl. IFRS 16	27,2%	27,1%	30,0%
Gearing ratio	4,0	4,5	-21,0
Gearing ratio excl. IFRS 16	2,8	2,7	-42,2

The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts. Please refer to the accounting policies for definitions of terms. The financial statements for the year ended 31 December 2021 were the first that the Group prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2020 the group prepared its financial statements in accordance with IFRS 10. Therefore, there are no financial highlights before the IFRS adoption date of 1 January 2020.

Results for 2022

COMPOUND ANNUAL GROWTH RATE



The above graph shows a CAGR on 40% in revenue representing the growth in REKOM since our majority owner CataCap came on board.

REVENUE GROWTH ACROSS MARKETS

mDKK	2022	2021	GROWTH
DK	751	338	122%
NO	474	183	159%
FI	146	71	106%
UK	829	558	49%
Total	2,200	1,150	

In 2022 all our markets showed strong growth compared to 2021. This was primarily due to the lifting of the COVID-19 lockdowns and restrictions which faced our industry in 2021. However, the growth was also driven through successful venue openings in all markets.

In 2022 the growth in Denmark was largely due to the fact that all our venues were open from February and onwards. In addition, the re-opening of Proud Mary in Copenhagen in particular also attracted new customers and we succeeded in taking market shares from our competitors.

In Norway we strengthened our clusters in Oslo, Stavanger and Haugesund as well as our presence in Bergen which all contributed to the strong growth in Norway. In Finland, we made several large investments which included introducing the Proud Mary concept, the PRYZM concept, and continued positioning of Heidi's Bier Bar. In total we opened 5 new venues in Finland in 2022. In the UK we went from 47 to 53 venues in 2022, and we have successfully launched our Nordic concepts Proud Mary and Heidi's Bier Bar, which are among our best performing concepts in the UK now. In addition, we have started building clusters in the UK.

Furthermore, we continued our investments in Digitization and Brand Building - the two focus areas in our rocket strategy. This means that we are now in a position where they will become independent pillars as we launch our new temple strategy in 2023 (read more about this in chapter 2 on page 21). This also means that we will be rolling out both digitization and brand building activities in all of our markets in 2023.

Based on this we conclude that we delivered on our strategy and reached our projected growth rate in 2022.

ADJUSTED EBITDA (DK GAAP) GROWTH ACROSS MARKETS

mDKK	2022	2021	GROWTH
DK	101	80	26%
NO	91	16	469%
FI	23	11	109%
UK	99	88	13%
Total	314	195	

In addition, the growth in operation profit (EBITDA - GAAP) before special items followed the growth in revenue as we reached a total growth in EBITDA of 61%.

THE GROWTH IN OUR DIFFERENT MARKETS CAN BE BROKEN DOWN AS FOLLOWS

Denmark: In 2022 we more than doubled our revenue compared to 2021, reaching a total revenue of mDKK 751 compared to mDKK 338 in 2021. This equals 34.1% of REKOM's total revenue in 2022. The

growth was largely due to the lifting of the COVID-19 restrictions. The corresponding EBITDA in Denmark reached mDKK 101 compared to mDKK 80 in 2021.

Finland: In 2022 Finland reached a total revenue off mDKK 146 which represents a growth of 106% compared to 2021. This was both due to lifting of COVID-19 restrictions and a growth in venues from 9 to 14. The revenue in Finland equals 6.6% of REKOM's total revenue. The EBITDA in Finland reached mDKK 23 compared to mDKK 11 in 2021.

Norway: In Norway we saw extraordinary growth in 2022 which was down to a strong re-opening when the COVID-19 restrictions were removed as well as a strong performance in general. REKOM Norway reached a total revenue of mDKK 474 compared to mDKK 183 in 2021. This equals 21.6% of REKOM's total revenue. The corresponding EBITDA in Norway reached mDKK 91 compared to mDKK 16 in 2021.

UK: In the UK we kept momentum after an exceptional rebound in 2021 following the re-opening of our venues. This carried through to the first two quarters in 2022 after which we saw a minor slow down due to the increased living costs in the UK. In total we reached revenue in the UK of mDKK 829 in 2022 compared to mDKK 558 in 2021. This represents 37.7% of REKOM's total revenue making the UK REKOM's largest market. The corresponding EBITDA in the UK reached mDKK 99 compared to 88 in 2021.

CASH FLOWS AND FINANCIAL POSITION

REKOM's liquidity position was sufficient at year end and was strengthened in January with an external loan to REKOM UK to accommodate future growth.

Shareholders have also decided to inject mDKK 40 in February 2023 as a vendor loan to secure the necessary liquidity to execute planned M&A activities in the Nordics (see note 3 for more information).

As of December 31, the equity in REKOM was mDKK 360 (2021: mDKK 355). Adjusted Net Interest Bearing Debt was mDKK 972 by the end of 2022 (2021: mDKK 740). The increase in debt by mDKK 232 in NIBD was driven by investments in growth in all markets.

EXPECTATIONS AND OUTLOOK FOR 2023

The development in the world economy and the macro-economic trends in the second half of 2022 leads REKOM to be conservative in its expectations of the development in consumer purchasing power - and hence, the

development in the demand for the experiences that we offer in our industry. At the same time we have experienced higher cost following increased inflation. Hence, we expect that our EBITDA margins may come under pressure in 2023.

As a result, we see 2023 as a transitional year which will be marked by negative macro-economic trends during the first half of the year, expectedly tapering off in the second half. Adjustments to concept mix and operations are being executed to mitigate the negative effects of inflation and to stimulate demand.

As a result REKOM expects moderate growth in 2023 projecting revenues in the range of mDKK 2,300-2,500 and EBITDA in the range of mDKK 465-515.



Risk management

Risk governance structure

Risk Management is an integral part of REKOM's way of work. REKOM defines risks as trends, developments, regulation, and events which influence REKOM's ability to reach our financial targets, implement our strategy or impact our license to operate.

The purpose of the Group's risk management is partly to identify and assess relevant risks and partly to reduce, minimize or control the impact of these risks.

The Board of Directors is responsible for the Group's risk management strategy and the overall assessment of the Group's risk profile in collaboration with the Executive Board. The Executive Board is responsible for the day-to-day risk management processes as well as the continuous development of the Group's risk management activities.





Key risk assessment 2022




RISK DESCRIPTION	MITIGATION STRATEGIES	CHANGE TO RESIDUAL RISK IN 2022	RISK ASSESSMENT
<p>COVID-19</p> <p>The Group's operating environment was affected by COVID-19 in January and February 2022 due to the Omicron variant in the winter. There could still be a minor risk of local or national lockdowns and potential operating restrictions.</p>	<ul style="list-style-type: none"> Operational procedures implemented to ensure safeguarding of our teams and guests. Regular Board reviews and action planning to monitor possible restrictions 		<p>In 2022 the risk associated with COVID-19 has plummeted as the disease has relinquished its hold on society. REKOM continues to carefully monitor the ongoing situation and will react quickly should the risk for renewed restrictions in the hospitality industry reemerge.</p>
<p>MACROECONOMY: INFLATION, AND INCREASED COST OF LIVING</p> <p>Macro-economic uncertainties continue to affect our business. Drop in real wages risk and a lower disposable income may affect the customer demand in hospitality sector broadly and in the nightlife particularly. Also, higher inflation is putting an upwards pressure on our costs.</p>	<ul style="list-style-type: none"> Tailored offerings and adjusted promotional activities. Focus on guest experience instead of prices. Increased awareness on customers spending per person at venue level to spot trends. Review of external suppliers' contracts to ensure the best rates. Review of utility contracts on venue level to ensure best practice with regards to contracts and transparency on costs 		<p>REKOM takes this risk very seriously. However, REKOM also believes that fluctuations related to inflation will stabilize over time, and that our guests to a large degree will prioritize going out over other consumer costs. Hence, limiting the negative impact of inflation. In addition, 2022 REKOM went through all contracts to ensure best practice. When REKOM acquired the operations in the UK long terms contracts were entered on utility prices including energy. This means that higher energy prices in the UK have only had minor impact on the business.</p>
<p>EMPLOYEES RETENTION AND ATTRACTION</p> <p>Our employees are our most important asset and vital to our success. Hence attraction of new employees and talent as well as retention is key to our business.</p> <p>Hence, we strive to make our company an attractive place to work.</p> <p>In addition, EU-regulation and/or UK regulation with regards to minimum wages may also affect our salary costs</p>	<ul style="list-style-type: none"> Ongoing measurement of employee meaningfulness Employee meaningfulness score is part of all managers KPI's Ensure and encourage safe working conditions. REKOM CAMPUS to provide learning and development opportunities. Provide talented employees leadership education and a career path at REKOM. Ensure that we promote a diversified culture. A balanced approach to wages 		<p>REKOM has an above industry employee meaningfulness score. And in 2022 we succeeded in having our VMT courses accredited in Scandinavia and are seeking the accreditation in 2023. We are ongoingly updating our employee handbook to ensure focus on health and safety as well as diversity. We raised all wages for "hourly paid" employees in 2022 and we seek to offer a balanced salary to all employees. This means that REKOM is neither market leader with regards to wages nor paying the lowest wages in the industry.</p>

Up
 Neutral
 Down



Key risk assessment 2022

RISK DESCRIPTION	MITIGATION STRATEGIES	CHANGE TO RESIDUAL RISK IN 2022	RISK ASSESSMENT
<p>COMPLIANCE - INCREASING REGULATORY COMPLEXITY</p> <p>At all levels of our organization and markets, we are committed to carry out our business in an honest and ethical way, complying with all relevant international and local regulations.</p> <p>The especially important in the nightlife industry which is heavily regulated both with regards to the products we offer and how they are marketed. This is also true for the external impact of our venues including, for instance, noise.</p>	<ul style="list-style-type: none"> • Compliance to market regulation in all marketing activities • Monitoring policy trends with regards to sale and marketing of our products • Active player in business associations in our markets to ensure our opinion is communicated to relevant stakeholders. • Active and constructive player in the local communities in which we operate. • We have relevant codes of conduct in place for dealing with suppliers and partners 		<p>REKOM continues work towards a professionalization of our industry this include strong focus on compliance and entering a constructive dialogue with our regulators locally and nationally across markets.</p> <p>In addition we have as part of our ESG strategy a strong focus on good governance and the relevant policies in place to promote compliance on all levels of the business.</p>
<p>HEALTH & SAFETY FOR OUR GUESTS</p> <p>REKOM's venues are open to the public and REKOM has a duty of care to look after its staff and its guests</p>	<ul style="list-style-type: none"> • Procedures in place to ensure compliance with health and safety regulations across markets. • Adherence to regulation is strictly enforced. • All employees must complete mandatory training which includes health and safety regulations before starting first shift 		<p>The physical safety of our guests and staff is paramount. The Group's policies and SOP's cover all aspects of operations. Policies and SOP's are continuously updated and staff trained accordingly.</p>
<p>FLUCTUATIONS IN EXCHANGE RATES</p> <p>REKOM's revenue, earnings and net investments in foreign subsidiaries are affected by fluctuations in exchange rates.</p>	<ul style="list-style-type: none"> • Continuous monitoring of currency developments in GBP, NOK, EUR vs DKK. • Loans in both DKK and NOK, to minimize the risk on our cash flow and assets in Norway. • No loans in EUR and GBP and almost no cross border transactions between the countries. • Decision not to use hedge instruments to our exposure of DKK vs. NOK. 		<p>REKOM is naturally hedged against currency fluctuations in the markets in which we operate as both purchasing, and sales take place in the same currency. The risk can primarily be attributed to our debt structure versus earnings in the countries.</p> <p>After the UK left the EU and in wake of the current macro-economic effects the UK has witnessed higher inflation and interest rates than our other markets. We are monitoring the development continuously as it is an increasing risk.</p>

 Up
  Neutral
  Down



Key risk assessment 2022

RISK DESCRIPTION	MITIGATION STRATEGIES	CHANGE TO RESIDUAL RISK IN 2022	RISK ASSESSMENT
M&A - ACQUISITIONS OF BARS			
<p>The Group's strategy is based on growth through acquisitions of new bars and other bar groups.</p> <p>The existing portfolio of bars must also be kept relevant and refurbished so we mitigate the risk of decreasing like-for-like sales and overall sales.</p>	<ul style="list-style-type: none"> When making acquisitions these are based on strong methodology which both includes business case, possible cluster building ensure that new acquisitions match our business strategy and offers synergies to our current position in the market. When acquiring new venues or groups a key criterion is that they match our culture and way of thinking. This to ensure a smooth integration into the REKOM way of work. 		<p>M&A remains an important part of our strategy. This can lead to both single site acquisitions and acquisition of bigger bar groups in the coming years.</p> <p>We continue to apply our strong governance structure around M&A activities which include the involvement of our Financial Committee.</p> <p>The risk picture will variate from acquisition to acquisition as this will depend on the size and the complexity of the deal.</p>
IT SECURITY - CYBER-ATTACKS AND BREAKDOWNS			
<p>REKOM's operations depend on stable IT systems to ensure both the sales process at our venues and our ERP-systems.</p> <p>Hence, we are vulnerable to breakdowns and cyberattacks.</p> <p>These can cause damage to us, and our customers through unauthorized access to, destruction of, and corruption of data.</p>	<ul style="list-style-type: none"> We have strong IT-governance structures in place to ensure the resilience of the systems, including systems hosted by external partners. REKOM's IT solutions, including infrastructure, are monitored, and evaluated in collaboration with external consultants. 		<p>We are focused on IT security and awareness and regular audits are carried out to ensure that we are doing the utmost to prevent system breakdown and unauthorized access.</p>



02

Our business

RAISING THE BAR

REKOM is now an international nightlife platform with three complementary revenue streams

REKOM is now the largest non-listed operator of bars and nightclubs in Northern Europe including the UK with 215 venues and 6,850 employees.

In 2022 we grew our presence in Finland by 5 venues, in Norway with 7 venues, and in UK with 6 venues. In the UK we successfully launched Heidi's Bier Bar and Proud Mary, and both concepts have proven to be among our most successful venues in the UK. Proving that our concept venues are successful even outside our traditional home-markets in the Nordics. In Finland we successfully launched the UK Nightclub concept Pryzm showing that we are able to take concepts from the acquisitions we make and bring them to life across our markets.

In Denmark, REKOM has 94 venues. This is one venue less than in 2021 which is due to a consolidation of REKOM's venues in Denmark following the acquisitions made in 2020 and 2021. However, it also signals that REKOM has reached the upper boundary for growth within our traditional core business as a nightlife operator in Denmark. This means that our growth in our venue operations going forward will be driven through international growth. It also hints that our future growth in Denmark will be

driven by our complementary revenue streams branded products and digital services as well as through developing our core business to also encompass events and party-dining concepts.

This is a testament to the fact that we have landed our Rocket Strategy and enabling us to move into the next phase of our growth journey. We will now move from being a nightlife venue operator towards becoming a nightlife platform with multiple revenue streams: Core Venue Business, Brand Building, and Digital services.

Already in 2022, our brand building pillar proved highly successful with the launch of our first branded products in Denmark and Norway. Our Digital pillar has also shown its capacity in developing and launching REKOM WorkSpace, which has the potential to become a service platform for the industry and associated industries as well as through the continued development of our nightlife community app NightPay.

It is important to underline that the foundation of our new strategic direction remains to create unforgettable moments for our guests in all our markets based on our love for people and our founder's mentality. We are just raising the bar by taking our ambitions to a new level.

This we can only do because we continue to recognize that our people are our strongest asset. They are the ones who meet our guests at the door, in the bar and at the tables, and they create the atmosphere that our guests cherish when they visit our venues - be it to watch a game, have beer with their friends, or meet new people.

So, we continued to invest in our people during 2022. In 2022 our employee appraisal score - which measures job meaningfulness - reached a quotient score (MQ score) of 4.04. Compared to 4.09 in 2021, our MQ score remains above the industry benchmark of 3.55 in the hospitality industry.

In addition, we are extremely proud that our REKOM Venue Manager Training course has received ECTS accreditation in Denmark, Norway, and Finland. In total, 141 young talents have completed the course in 2022. We are the only ones to offer accredited education at this level in the industry, and in 2023 we will be looking to gain the same accreditation in the UK. This is a huge testament to our ambition to professionalize our industry and make our business a career choice for young talents entering our industry by equipping them to work at REKOM and giving them the tools to seek a career outside REKOM.

Core Business

Venues (including Festival and Events)

At the heart of our business are our venues, which we continue to develop and strengthen through organic growth and acquisitions of groups and evergreen venues.

Based on our multi-concept approach, we seek to build 'clusters' of venues that deliver everything from a break from daily life to the unforgettable, inspiring, and unique experiences in the cities in which we operate. We do this through a string of complementary venues that cater for our guests across gender, age, and interest. We have an offer for almost everybody; from the sports fan to those who want to hit the floor to those who seek the camaraderie of the after ski feeling to those who want to drink an exotic cocktail in the bar with their friends.

While we aim to harvest and grow existing markets, we will maintain our fearless approach and continue to expand as opportunities arise outside our current markets. This also provides a strong launchpad for our Brand Building and Digitization activities.

In addition, we have strengthened and invested substantially in developing our Events and Festivals segment. This has been done among others through the acquisition of the successful festival brand in Denmark "Vi Elsker", hence tapping into new and exciting experiences. We will be expanding our presence in the event and festival market across Scandinavia and the UK in 2023.



We have grown our venue base by almost 100% since 2019, and we will continue to grow. However, we are reaching the upper boundaries for our growth in both Norway and Denmark. This means that our venue growth will focus on the UK, Finland, and potential new markets. In addition, we are making a strategic move into the festival and event market, which is complementary to our current core business operations, and where we can use our competencies to professionalize this market. We are in other words looking to expand our target audiences and hence, our core business

JONATHAN GRUMME, COO

Digitalization

During 2022 we have continued our investments in developing our IT-infrastructure in order to optimize our systems and develop stand-alone systems. During 2022 we invested mDKK 24 which is on a par with the mDKK 21 invested in 2021. Our investment in IT-infrastructure means that today, we have an unmatched IT-infrastructure giving our group a strong joint backbone and operational capabilities based on a level of digitization which is otherwise unprecedented in the industry across markets. This enables us, in addition to harvesting direct savings for our venues and synergies across markets, to improve and prolong the guest experience.

The strength of our IT-backbone is validated through the annual appraisal of REKOM's digitization level done by PwC, based on the Capability Maturity Model Integration (CMMI). In 2022 our CMMI remained at 2.4, which is above the industry standard.

Working in an environment which is heavily regulated, digitization furthermore serves as an outstanding marketing channel for both venues and brand building allowing us to communicate with customers directly on and off venues.

In addition, we aim to use digitization as a method to unlock independent revenue streams through our own developed IT-services as for instance NightPay and potentially also REKOM WorkSpace as we are exploring the possibility for data monetization and potential SAAS (Software As A Service) solutions.

REKOM WorkSpace is a great example of a proprietary software developed by REKOM which could over time potentially become of interest to others. Already now it provides our operations with near real-time updated information on all key performance indicators as well as delivering automated reports and pinpointing areas for improvement which can be shared among management daily.

REKOM WorkSpace functions as operations cockpit providing all leaders with real-time access to relevant information within their area of responsibility. Figuratively speaking managing a nightlife venue and many similar operations has been like flying a plane without modern day navigational instruments. As venue

manager one could set a course and navigate after key way-points - but in many ways you were running a venue based on instincts, and experience - as many key numbers could be up to weeks underway. This meant that changes in guests flows, and behavior could go unnoticed for some time.



During the last two years we have made substantial investments in our IT-development, and we are now harvesting the fruits of our labor. The launch of REKOM WorkSpace is a testament to our ability to develop software as a service to manage venues in our core market of running bars and nightclubs - but it is also a tool which over time can be implemented in complementary markets such as restaurants and cafés

NETE JØRGENSEN, SENIOR IT DIRECTOR

With REKOM WorkSpace all our managers have access to a digital cockpit which provides almost real-time updated information on all key performance indicators relevant to managing a venue. For instance, REKOM WorkSpace provides automated updates on: Guest flows on the venues; Inventory including significant changes in demand for specific categories and automated financial figures broken down to hours, making it possible to adjust and optimize on cost and increase margins.

As senior managers we can now guide our managers as air traffic controllers guide a pilot towards the most optimal course based on performance indicators and accumulated insights across our business - and our venue managers have the insights to inform about specific challenges and trends at their venue faces compared to the broader trends.

We believe that REKOM WorkSpace is key to the transformation of REKOM into a nightlife platform, making us even more interesting for other groups to join in our current and new markets.



Brand Building

Through our Brand Building activities, we aim to improve our product portfolio by building and promoting own brands either in our own right or in cooperation with third parties. Our branded products are distributed directly through our own venues which provides a unique display and test window to an attractive customer base. Going forward it is our clear ambition to take REKOM developed brands from our venues into additional on-trade as well as off-trade.

In 2022, we launched our Mundo Tequila in our Danish venues and to the retail market in Denmark. And during 2023, we expect to have the tequila listed for sale through the Vinmonopolet in Norway and Alko in Finland (in both countries retail sale of strong alcohol is only allowed through government monopoly retail stores).

Another example of our branded products is our selection of craft beers which we have developed in a joint venture with the Danish master brewers at "Too Old To Die Young". The beers have already won several awards including a third prize as "Brewery of the year" awarded by Danish Beer Enthusiasts and second prize as "Brewery of the Year" at Danish Beer Bloggers award. Finally, we won "The Best Good Night beer in the Nordics" at the Nordic Brew Festival.

The craft beers were launched at our venues during 2022 in Denmark where we also opened a "Too Old To Die Young" flagship bar in Copenhagen. During 2023 we expect the craft beers to be rolled out to our other markets and become available in selected retail stores in Denmark.



REKOM Denmark

2022 became the year where we said goodbye to COVID-19 restrictions and REKOM returned to doing what we do best - delivering unforgettable moments to our guests.

When 2022 began we were under heavy government imposed COVID-19 restrictions meaning that the large majority of our venues were closed, and the remaining venues were operating at very low volumes and under restricted opening hours. This was difficult economically, at a time when we thought we were passed COVID-19. But most of all, it was a hard hit psychologically to our people and guests after a short return to normality and no restrictions in the autumn of 2021.

It was not easy to explain to our people and guests alike, that COVID-19 restrictions had returned with a vengeance in December 2021 and continued into 2022. But once again our employees showed immense resilience and character. We stood united through the new lockdown and once again almost all of our employees returned when restrictions were lifted by the end of January 2022. When we finally reopened our guests returned in numbers and in both February and March, we performed above expectations even taking into account the expected positive effect of re-opening.

Coming back to business after COVID-19 was also a return to a new, bigger, and better REKOM. When COVID-19 closed our venues in 2020 REKOM Denmark consisted of 117 ven-

ues. By the end of 2022 we operated 94 venues, an increase based on both acquisitions and organic growth. And we had grown from 2000 employees to 3,101 employees in Denmark. 2022 was also the year where our rocket landed. Our brand building activities became a part of our Danish operations. Mundo Tequila, I AM Drinks and our craft-beer were launched at our venues, and Mundo Tequila is now available in retail stores.

In 2022 we also acquired, the festival organizer "Vi Elsker", specializing in outdoor one-day festivals across Denmark. The acquisition marks a strategic move into the festival and events market where we see a huge potential in leveraging our operational expertise in running large events smoothly. In August 2022, we delivered and operated the bars at the four historic Ed Sheeran open air concerts in Copenhagen, which attracted an audience of 160,000 people over four days, making it one of the largest music events in Northern Europe in 2022.

FROM GROWTH MARKET TO TEST LABORATORY FOR FUTURE INTERNATIONAL GROWTH AND NEW REVENUE STREAMS

With 94 venues, Denmark remains REKOM's largest market measured on numbers of venues, and Denmark will continue to be a strategic market for REKOM as well as our home market. However, as REKOM continues to grow outside

Denmark, it is also logical that the Danish market's share of REKOM's total revenue becomes smaller over time. And REKOM's revenue in Denmark is now surpassed by the revenue in the UK. This is a testament to REKOM's continued international growth.

We will continue to grow our business in Denmark. However, we expect that the speed of growth in our core business will slow down as we are closing in on the upper boundary for venues in Denmark.

Our position in Denmark provides us with the perfect opportunity to test new ideas, concepts, and products in a mature market, before launching in other markets. This includes new ventures in our core activities, like branching into festivals or new venue types, or launching new brands or digital services. This creates a well driven test engine for developing new revenue streams to continue growth in Denmark and through to our other markets.



94
VENUES



3,101
EMPLOYEES



751 mDKK
REVENUE



174 mDKK
EBITDA



54%
MALES



46%
FEMALES





Financial performance

In 2022 we more than doubled our revenue compared to 2021, reaching a total revenue of mDKK 751 compared to mDKK 338 in 2021. This equals 34% of REKOM's total revenue in 2022. The corresponding EBITDA in Denmark reached mDKK 174 compared to mDKK 150 in 2021.

Based on the current size of our core business the Denmark results were in line with expectations. And when taking into account the headwinds faced by the industry - due to COVID-19, inflation and higher energy prices, REKOM Denmark's results were very strong.

The fact that REKOM Denmark is able to show both growth and deliver a strong EBITDA result after COVID-19 lockdowns, and with energy prices and inflations roaring through H2, underlines that REKOM's core business remains resilient and efficient.

LOOKING AHEAD

Looking into 2023 we expect continued headwind due to the drop in real wages and we will continue to observe an increased pressure on cost linked to inflation and energy prices.

However, we remain cautiously optimistic and expect to continue our growth in 2023. In 2023, we also expect to launch a new version of our nightlife community app NightPay. This will open new doors for our interaction with our guests, and we are also looking into the possibility to utilize NightPay as a vehicle to monetize data. This is achieved through optimizing our guest services and our offers in venues, based on insights from NightPay and through third party cooperation.



Key events in Denmark in 2022

REKOM CAMPUS: Accreditation of our venue management training

In 2022 REKOM took a major step in our efforts to professionalize our industry through training and formal education of our employees.

3,055 Danish employees completed mandatory and voluntary training via our e-learning module REKOM Campus. A learning tool which is available to all our employees via the employee app, REKOM LIFE.

We see it as a key ambition to make our industry a career choice for the many young talents who work at our venues. If they have the desire and abilities to take on the responsibility they can do so from a very early age in our industry.

However, until now a lot of our young talents have never received any formal recognition for the skills that they have acquired in the industry. When they move on to other trades or return to study, they have often been asked to start over with little or no recognition that they may already have managed large employee groups and overseen operations with revenue to be counted in the millions

- while also having the responsibility to deliver unforgettable moments to guests in a heavily regulated industry. We wanted to change this.

So it was of great pride to us that we, in 2022, succeeded in having our Venue Management Training course ECTS accredited. The venue management training course was developed in cooperation with Asnæs and Vangstrup who is already an experienced education provider within the service industry.

In Denmark, 83 young talents completed the course earning ECTS point which they can use to further their education either at a later stage in their career at REKOM or outside REKOM.

In 2023 we expect that a new batch of young talents will complete the course. In this way we are slowly and steady building the next generation of REKOM leaders while also giving them the formal recognition to succeed outside the industry.

160,000 Ed Sheeran concerts goers in Copenhagen

In 2022 we took the decision to develop our festival and event strategy. Part of this was the acquisition of "Vi Elsker". We see a huge market potential in utilizing our operational experience and backend systems to optimize the bar services delivered at festivals and events.

In August 2022, we showed our abilities in doing just that at the four Ed Sheeran concerts in Copenhagen. Attracting more than 160,000 people for the four concerts, it was one of the biggest music events in Northern Europe in 2022.

REKOM's event teams were tasked with organizing and running the bars at the open-air concerts. This involved building 10 bars and making them run smoothly by connecting the whole operation to our backend system. 400 bartenders made sure that all concert goers had a great experience during the concerts selling more than 200,000 pint beers and 120,000 soft drinks. In addition, more than 10,000 glasses of rosé wine and 110,000 shots were also sold to the happy concertgoers.

Based on this experience REKOM expects to venture further into the event and festival market in 2023.

The Ed Sheeran concerts were a huge logistical task. Delivering with such a success is a testament to the people in our team as well as a perfect example that we can efficiently roll out our operational systems for pop-up events of almost any size

LASSE RAMLAU
REKOM EVENT

REKOM WorkSpace has already proved its worth. It enables us to drive a much more efficient and cost-effective business and provides us the insights to optimize the guest experience on day-to-day basis. We are simply on top of our business in a whole new and faster way than before. At the same time it releases time to our venue managers to attend to their people and develop the venues instead of having to use time on reports and administrative tasks

KIAN BAKKE HANSEN,
REGIONAL MANAGER, REKOM

Delivering on our IT-strategy: REKOM WorkSpace

In 2022 we successfully rolled out REKOM WorkSpace to all managers in REKOM. REKOM WorkSpace is our proprietary operational system. In essence, REKOM WorkSpace delivers and systemizes data on all aspects of running a nightclub, bar or restaurant as close to real-time as possible.

This enables our manager across functions to receive data on key performance indicators much faster and more efficient than before. Hereby setting not only a new industry standard for the nightlife industry but for the whole restaurant and dining industry.

Prior to the roll-out of REKOM WorkSpace managers were forced to take operational decisions based on historic or incomplete data, like navigating a plane without the instruments in the cockpit. With REKOM WorkSpace we are literally providing our managers with a digital cockpit that shows all relevant data needed to steer their areas of responsibility. In addition, the system provides alerts if data points deviate from the expected course. Data includes almost real-time updates on key information such as guest flow on the venue, customer spending with split on categories and time and inventory. This means that the system can alert the manager if there are changes in customer trends with regard to certain products or if peak hours are changing. In addition, the system allows for the manager to make new orders, update pricing, and adjust

staffing in order to reflect customer trends and demands. This enables the manager to optimize on both staffing and sourcing on an almost day-to-day level, making REKOM WorkSpace a state-of-the art system within the industry.

Based on the information gathered, REKOM WorkSpace also automatically draws up reports and summaries for the weekly management meeting, including suggested action points, and delegates the tasks to the person responsible for handling the relevant action points.

REKOM WorkSpace has already proved that it can help our managers run their venues more efficiently and help increase margins in an otherwise low margin industry as well as providing our senior management with key overall real-time insights to our business performance. In addition, REKOM WorkSpace also minimizes the time it takes venue managers and other managers to prepare for meetings and handle administrative follow-up activities.

REKOM WorkSpace is a key element in REKOM's ambition to digitize the industry and it is an example of how REKOM is successfully moving from digital solutions towards software as a service, which can be implemented across our operations and markets as well as potentially in complementary industries.

REKOM United Kingdom

2022 became the first year of full operations due to government COVID-19 lockdowns since the acquisition of the DELTIC Group in 2020, and the only market where REKOM had a full year of business.

During 2022 REKOM UK grew from 42 venues to 49 venues. This included the opening of REKOM's concepts bar Heidi's Bier Bar in Cardiff and Birmingham as well as a Proud Mary also in Cardiff. REKOM UK also continued the integration to REKOM Groups backend systems, a process which is in its final stages.

With the full integration of REKOM UK into REKOM Group, REKOM has shown that it is able to acquire and integrate even very large bar-groups into the REKOM set-up without having to compromise on revenue or margins. In fact, REKOM UK is now performing better than ever.

Like for like revenues and margins are up considerably compared to the last year of full operations in the Deltic Group (2019).

FROM THE ASHES TO THE FIRE - BUT STILL DELIVERING

2022 started off in a very positive style. The first half of 2022 REKOM UK witnessed record-breaking revenue, which must be attributed to the continued boomerang effect of return to normality after the COVID-19 lockdowns. There was a desire to go out and meet up with friends and catch up on the unforgettable moments that people had been deprived of for so long. REKOM UK was there to deliver on this.

However, by summer the initial post-COVID-19 surge slowed down and REKOM UK saw a return to more nor-

mal numbers in guests and revenue. During Q3 and Q4 REKOM UK witnessed small draw-back in numbers which is attributed to the spiralling living costs that the UK has suffered from during 2022 - especially linked to higher energy and food prices.

Even though the nightlife and bars are less vulnerable to the negative consequences related to inflation - because our guest demographic values and prioritizes going out and meeting with friends, even when times get tough -we are witnessing a slowdown. However, REKOM UK remains in good shape and continues to deliver margins and numbers that are higher than before COVID-19.

This is a strong testament both to the effort made by our employees and a testament to how successful the integration of the Deltic Group into REKOM has proven to be.



53
VENUES



2,298
EMPLOYEES



829 mDKK
REVENUE



156 mDKK
EBITDA



43%
MALES



57%
FEMALES

Financial performance

In total, REKOM UK reached a total revenue of mDKK 829 in 2022 compared to mDKK 558 in 2021. This represents 38% of REKOM's total revenue making the UK REKOM's largest market. The corresponding EBITDA in UK reached mDKK 156 compared to 141 in 2021.

This result is in line with expectations, but is in the lower range. This is due to the slowdown in Q4 caused by increased inflation in the UK which meant that the annual result did not reach the top-end of our range of expectations. However, the results were above like for like compared to 2019.

LOOKING AHEAD

Looking into 2023, REKOM UK expects to finalize its move to REKOM's IT systems as old vendor agreements expire, enabling REKOM UK to make the last jump onto the REKOM platform.

During 2022 REKOM UK also began its integration onto REKOM CAMPUS, which provides training for all employees working at REKOM. During 2022 the first leader talents started on the Venue Management Training Course via REKOM CAMPUS and in 2023, 132 leader talents will begin the VMT Course. In 2023 REKOM UK will finalise the integration meaning that all REKOM training modules will become available to employees in REKOM UK. In 2023 REKOM UK will also work towards receiving the same level of ECTS accreditation for the VMT-course as has been achieved in the Scandinavian countries. This will make REKOM UK the only player to provide ECTS accredited training in the industry and make REKOM UK an even more desirable place to work in the industry.

The UK is already REKOM's largest market and REKOM UK also expects to continue its growth organically in existing cities. In addition, we will be looking to be part of a further consolidation of the nightlife industry in the UK. As the largest non-listed bar-group in the UK, REKOM is well placed to take advantage of its position as a safe harbour in times of economic uncertainty in the UK.

In the short term, REKOM has two new venues recently secured and we expect to grow our venue base further organically and through one-off purchases in 2023. This will include the opening of additional Proud Mary pubs and Heidi's Bier Bars, concepts which have proven to be very successful in the UK. In addition, REKOM UK expects to launch NightPay during 2023, and will also be looking towards launching REKOM's branded products such as the Mundo Tequila.





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We were from the outset confident, that Heidi's Bier Bar would fill an empty gap in the UK market. However, we have been taken by surprise by the UK audiences' hunger for thematic fun bars such as Heidi's. We have definitely found a hole in the market which we will look to expand

RUSSELL QUELCH,
EXECUTIVE DIRECTOR UK

The successful launch of Proud Mary and Heidi's Bier Bar in the UK

In 2022 REKOM UK launched Heidi's Bier Bar in Cardiff and Birmingham and Proud Mary also in Cardiff. All three venues have proven very successful and are among the top-performing venues on a weekly basis in the UK both with regard to guests, money spend per guest and EBITDA. This shows that the REKOM's Scandinavian concepts bars have an audience outside its home-markets and can be exported to the UK.

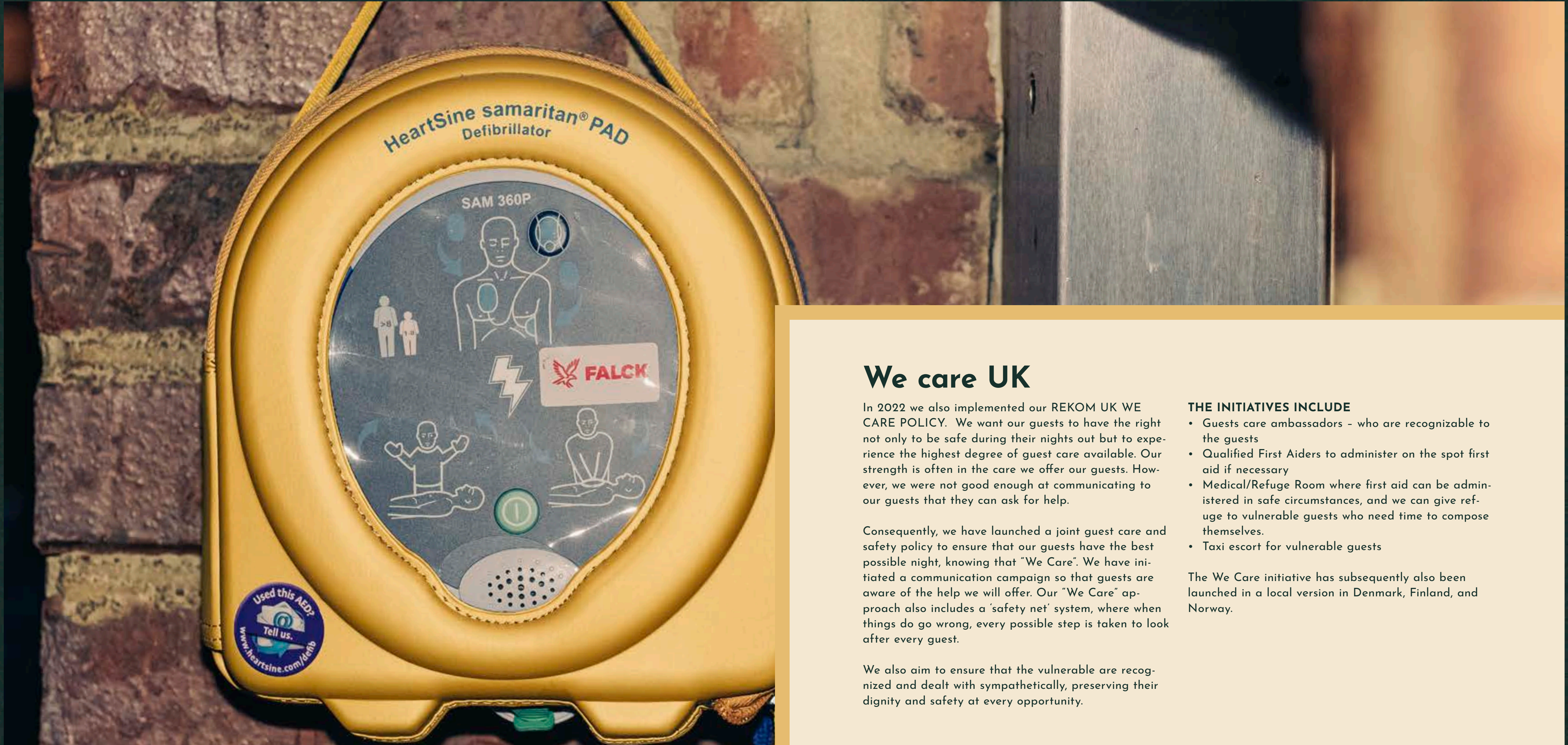
The concepts bar fills a hole in the UK nightlife market through its combination of the pub-culture and a thematic twist providing the guests with the opportunity to meet and partake in fun common activities, something not

normally seen in traditional English bars. This means that both Heidi's and Proud Mary have quickly developed a large following across customer segments.

For instance, Heidi's Bier apres-ski experience has been very well received and guests have been quick to adopt and appreciate the traditional elements at Heidi's including the sing along, the uniforms, and the dedication to the concept shown by the employees.

Based on this success REKOM UK is looking to grow the presence of both Heidi's Bier Bar and Proud Mary in the UK.

Key events in the UK in 2022



We care UK

In 2022 we also implemented our REKOM UK WE CARE POLICY. We want our guests to have the right not only to be safe during their nights out but to experience the highest degree of guest care available. Our strength is often in the care we offer our guests. However, we were not good enough at communicating to our guests that they can ask for help.

Consequently, we have launched a joint guest care and safety policy to ensure that our guests have the best possible night, knowing that "We Care". We have initiated a communication campaign so that guests are aware of the help we will offer. Our "We Care" approach also includes a 'safety net' system, where when things do go wrong, every possible step is taken to look after every guest.

We also aim to ensure that the vulnerable are recognized and dealt with sympathetically, preserving their dignity and safety at every opportunity.

THE INITIATIVES INCLUDE

- Guests care ambassadors - who are recognizable to the guests
- Qualified First Aiders to administer on the spot first aid if necessary
- Medical/Refuge Room where first aid can be administered in safe circumstances, and we can give refuge to vulnerable guests who need time to compose themselves.
- Taxi escort for vulnerable guests

The We Care initiative has subsequently also been launched in a local version in Denmark, Finland, and Norway.



REKOM Norway

At REKOM Norway we operated under COVID-19 government restrictions until February 16, when all restrictions were lifted. This means that REKOM Norway's results were achieved in less than 11 months.

This of course had a negative impact on total revenue and EBITDA. However, when Norway reopened, we witnessed a strong comeback in the spring months of 2022 with record turnout and revenue.

This was only possible due to an extraordinary effort by our employees who came back in force and were ready to provide our guests with those magical moments that makes them return again and again.

The above projected turn-out lasted well into Q3 where revenue and our numbers of guests defied high inflation rates and steep energy prices. In Q4 we experienced a slowdown in guest turn-out especially linked to lower consumer confidence and a drop in real wages experienced by almost all Norwegians.

However, we remain confident that our business model is resilient and even through the slowdown in Q4 we have delivered an extraordinarily high growth in revenue and a positive EBITDA. This is both a testament to the fact that we are operating efficiently and that even in times of economic uncertainties there is a strong desire among our guests to prioritize going out with friends and family.

FROM 25 VENUES TO 47 VENUES IN NORWAY DURING COVID-19

In 2019 REKOM Norway consisted of 25 venues primarily in Oslo and Stavanger. By the end of 2022, REKOM Norway operated 47 venues, and we have clusters in Oslo, Stavanger, and Haugesund. The growth has been made possible due to strategic acquisitions in 2020 and 2021 as well as organic growth and standalone acquisitions.

Our growth journey has almost tripled our revenue in Norway compared to 2019 and REKOM Norway has grown from 600 employees in 2019 to 1,111 employees by the end of 2022.

The growth in venues and employees has also meant a professionalization of REKOM's business in Norway. Today Norway is a home market to REKOM, and REKOM Norway now runs the core business independently from REKOM Denmark. This reflects the importance that the Norwegian market brings to REKOM, and the investments made in Norway both with regards to venue acquisitions and in building a strong HQ function in Norway.

With 47 venues in Norway and clusters in Oslo, Stavanger, and Haugesund we are closing in on the upper boundary for growth in our core business of operating bars and nightclubs in Norway. However, REKOM Norway continues to see a huge potential in growing the market further by diversifying our operation base towards more activity and food-based venues as well as moving into the event and festival market based on the experiences from Denmark.



47
VENUES



1,111
EMPLOYEES



474 mDKK
REVENUE



132 mDKK
EBITDA



52%
MALES



48%
FEMALES

Financial performance

In Norway we saw an extraordinary growth in 2022 driven by a strong re-opening after the COVID-19 restrictions were removed as well as a strong performance in general. REKOM Norway reached a total revenue of mDKK 474 compared to mDKK 183 in 2021. This equals 22% of REKOM total revenue. The corresponding EBITDA in Norway reached mDKK 132 compared to mDKK 55 in 2021.

This was well in line with expectations and as such was strong result even though inflation and associated higher costs impacted both revenue and EBITDA negatively in Q4.

LOOKING AHEAD

Due to the economic uncertainties and a drop in real wages we are conservative in our outlook for REKOM Norway. With two secured venues we expect to grow our venue base further in Norway in 2023. In our expansion we will focus on strengthening our presence in our clusters and as such we expect a moderate growth.

In 2023, we also expect to see a positive effect from our branded products such as Mundo Tequila and I AM Drinks which are already being rolled out in our venues. And we hope that the former will be accepted for sale at the Norwegian Vinmonopolet which has the state monopoly on selling strong alcohol in Norway.

In 2023, we also expect to launch our nightlife community app NightPay in Norway. This will open new doors for our interaction with our guests. Based on the experiences from Denmark we will also be looking into utilizing NightPay as a vehicle to monetize data in Norway.



We want to be the place to work in the industry and attract the best people

At the heart of everything we do at REKOM Norway is our people. It is our people who deliver the moments our guests treasure.

To drive and expand our positioning of REKOM as the best place to work in the industry in Norway we invested in developing our People and Culture Track in Norway, headed by Lill Magnerud, which in 2022 had two main focus areas.

Firstly, we made significant investments in attracting people to work for REKOM. Secondly, through investing in developing the competencies our existing employees. During 2022 we successfully participated in large job festivals to attract new employees and to talk about the possibilities of having a career in our industry. This effort has proven very successful and our participation at the job festival in Bergen resulted in more than 120 inquiries into working at REKOM's venues. We see the participation at these events as a gateway to tell the story about an industry that is professionalizing, and that REKOM is in the front of this professionalization.

At the same time, we continued to invest in our existing people who are offered both mandatory and voluntary training via REKOM Campus. In total, more than 893 employees completed training courses during 2022. Improving their skills on everything from bartending to security and conflict resolution. Skills that are necessary for work-

ing in our industry, but also a skills-set, which is something that is sought after should our employees choose to leave the industry. Hence, it is also a separate ambition of ours to tell the story of how the skills and experiences you can make by working in our industry gives you an advantage when you move to your next job because working in the nightlife industry means that you are accustomed to working in a high intensity environment, focusing on service, and delivering unique guest experiences.

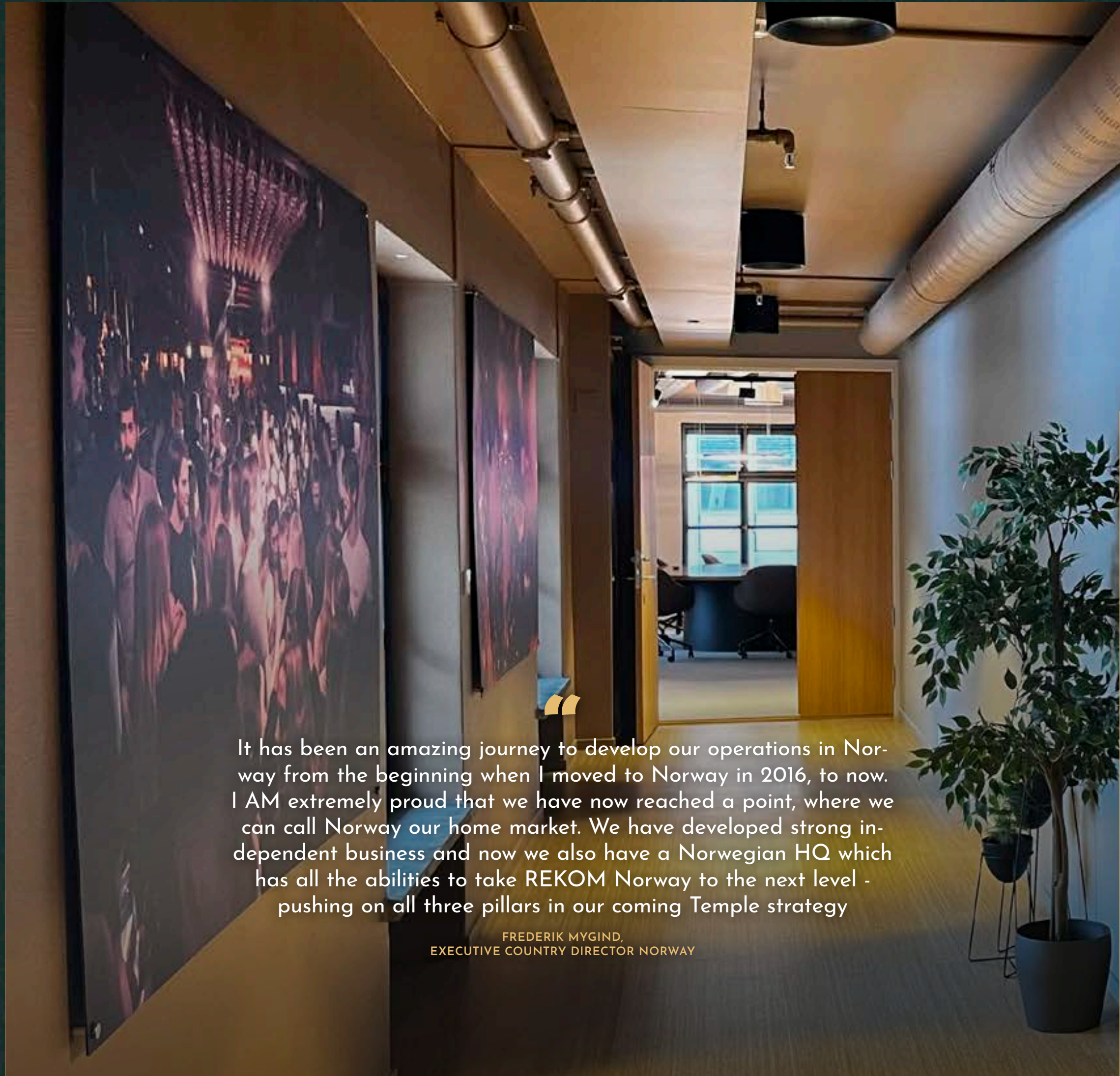
In addition, more than 48 people from REKOM Norway completed our Venue Management Training course for young talented leaders. These young leaders have now received formal recognition of their management skills and were given new skills that they can apply in their daily work. As the course is ETCS accredited the course also awards them ECTS points which they can utilize should they choose to continue studying at a later point in their lives.

The ability to offer formal and accredited leadership courses is a milestone in our ambition to professionalize the industry and present REKOM as the best place to work in the industry. In 2023, REKOM will continue to invest in our people and work strategically to attract the right people to work for us in a job market which is very competitive due to a lack of workforce. However, with the initiatives already taken we are well placed to attract the right people.

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We are committed to our employees and passionate about their personal and professional development - a job with REKOM is more than just a job - it's the start of a career. In 2022 we showed that this is not just something that we are saying but something we can deliver on - and that makes me immensely proud

LILL MAGNERUD,
HEAD OF PEOPLE AND CULTURE, REKOM NORWAY

Key events in Norway in 2022



It has been an amazing journey to develop our operations in Norway from the beginning when I moved to Norway in 2016, to now. I AM extremely proud that we have now reached a point, where we can call Norway our home market. We have developed strong independent business and now we also have a Norwegian HQ which has all the abilities to take REKOM Norway to the next level - pushing on all three pillars in our coming Temple strategy

FREDERIK MYGIND,
EXECUTIVE COUNTRY DIRECTOR NORWAY

Norway is a home market to REKOM

Today REKOM Norway operates independently on all levels. The investment in building independent operational capacities in Norway signals that we consider Norway to be a home market for REKOM as well as a strategic market for our company.

The decision to build independent capabilities in Norway came naturally as our presence has increased through both organic growth and strategic acquisitions to reach 47 venues and more than 1,000 employees.

Already now-operational capabilities which were hitherto placed in Copenhagen have been moved to Norway. This means that we now run all key tasks out of our Oslo based HQ which has grown from less than 10 people in 2019 to 35 in 2022 and we expect to grow this function even further in 2023.

This does not mean that we are developing a new culture or way of work in Norway - it is quite the opposite.

By building an independent organization in Norway, we are much better equipped to implement the REKOM values and foundation at our venues and among our employees. With our own People and Culture function, Marketing and Communication department, as well as our own business development people, we are also much better placed to take advantage of our position in Norway.

At the same time our stronger presence in Norway makes it easier for us to be a part of the industry discussions in Norway and take responsibility for developing the Norwegian nightlife industry, both in the cities where we are present as well as at a national level. We are simply better equipped to engage with our stakeholders in the Norwegian society, working towards creating a strong nightlife industry that can play a vital role in the experience economy in Norway, together with other cultural and leisure activities. We have already seen the beginning of this in our work with the We Care initiative in the city of Oslo.

REKOM Finland

Finland was the last of our markets where COVID-19 government restrictions were lifted in our industry. The last restrictions on our operations were lifted on March 1, 2022. This means that REKOM Finland's results were achieved in 10 months of full operations.

This has naturally impacted Revenue and EBITDA for the year. In addition, higher living costs driven by inflation combined with higher operational costs linked to higher energy prices have had an adverse impact on revenue and EBITDA in Q4. The adverse external circumstances were countered by a high turnout in March and Q2 of 2022 where we saw a rebound effect following the removal of the last restrictions. This proved that the Finnish people, in contradiction to many popular beliefs, are just as social and eager to meet up as everybody else.

With that in mind the overall results and growth achieved in Finland in 2022 were satisfactory - and once again we were

only able to succeed due to the incredible effort from our people working at the venues.

MORE THAN 50% GROWTH IN VENUES IN 2022

When REKOM Finland entered 2022 we had 9 venues primarily in Helsinki, Turku, and Juväskylä. By the end of 2022, we were operating 14 venues. This represents a growth of more than 50% in 2022 and REKOM Finland is now the third largest nightlife operator in Finland.

Today, we employ 340 people in 6 cities. This has required a strategic effort to attract new people and therefore also a huge focus on onboarding new employees to the REKOM way of work and our culture. This is an effort that we will continue in 2023 as we proceed to grow.

Among the key venue openings in 2023 was the opening of the Pryzm nightclub in Turku, which is the first REKOM UK

concept to be exported to Scandinavia. This represents a strategic development for REKOM as we are now not only developing and exporting concepts from Denmark but operating in a truly international manner.

In 2022 we also took a step into the event market in Finland as we helped organize and operate the bars at the student festival in Turku, which is one of the largest of its kind in Finland with more than 10,000 students celebrating the start of university.

Combined, this shows that we are maturing in the Finnish market by both growing our core business and venturing into complementary markets. This is done in close cooperation with and drawing on the expertise from REKOM Denmark and Norway. We will continue this development in 2023 in tune to the progressive expansion of our presence in Finland.



14
VENUES



340
EMPLOYEES



146 mDKK
REVENUE



41 mDKK
EBITDA



37%
MALES



63%
FEMALES





Financial performance

In 2022 Finland reached a total revenue of mDKK 146 this represents a growth of 106% compared to 2021. This was both due to lifting of COVID-19 restrictions and a growth in venues from 9 to 14. The revenue in Finland equals 7% of REKOM's total revenue. The EBITDA in Finland reached mDKK 41 compared to mDKK 24 in 2021. This was fully in line with our expectations and so was satisfactory.

LOOKING AHEAD

Due to the economic uncertainties and a drop in real wages, we are conservative in our outlook for REKOM Finland for 2023. However, Finland remains a growth market for REKOM and in cooperation with REKOM HQ we will continue to tap into this growth potential. Based on this and the already planned venue openings, combined with the fact that we are looking at the first year of full operation since 2019, we are still expecting a significant growth in revenue during 2023. The growth will, however, be based on more conservative assumptions with regards to turnout/guests and costs.

During 2023, we will continue to strengthen our existing clusters in Helsinki and Turku as well as develop new clusters, and we already have the first 3 new venues in pipeline. Among the venues in pipeline is a whole new venue concept - The Boat. The Boat is an old ship that has been converted into a bar and club which will be based at the canal in Turku. The Boat will have large outdoor serving space, and REKOM is thrilled to become part the already vibrant atmosphere at the canal in Turku from April to September. We will also continue to develop on our proven Scandinavian concepts such SKAAL, LA Bar and LOLA, following the already successful launches of two Proud Mary pubs and several Heidi's Bier Bars in Finland.

In 2023, we will also be looking to launch the new version of NightPay in Finland which will be done in close cooperation with REKOM HQ. We will also, in line with the other markets, work towards launching our branded products such as Mundo Tequila at our venues and at the Finnish national alcoholic beverage retailing monopoly, Alko.

Most importantly, we will continue to focus on attracting the best people to work at our venues. This means continued investments in our people among others through training and education modules via REKOM Campus. In 2023, we expect that between 15 and 25 young talents will complete our ETCS accredited Venue Management Training course.

Key events/ initiatives in Finland in 2022



You cannot overestimate the importance that we can now offer our young talents formal and accredited management courses. It makes it easier to hire potential talent and we are able to keep them for longer as we can now offer them a career path where they receive formal recognition of the skills that they acquire

MIKKI LAHTINEN,
COUNTRY DIRECTOR OF FINLAND

Attracting the best people and being the best place to work

Since, and even before, the reopening after COVID-19, the biggest challenge facing our industry in Finland has been attracting people to work in our industry. And at the same time, we want to attract the best people to work at REKOM. So we invested strategically in promoting REKOM Finland and our venues as the best and most professional place to work in the industry.

First and foremost we are doing this by showcasing that we are a professional player in the industry, and that we are setting a new standard for working conditions.

We are also actively promoting that all employees receive mandatory training and can pursue further training through REKOM if they wish to gain new qualifications while working at REKOM. We are also promoting the fact that working in this industry provides employees with skills

such as service-mindedness and conflict solution, which are beneficial later in their careers.

Finally, we are showing that talented young people can grow and achieve managerial positions faster than in most other industries. In this way we are also promoting working at REKOM as a career choice, where an individual - if they are talented and like the industry - can receive formal managerial skills through our ETCS accredited Venue Management Training courses.

In 2022, 17 people completed our Venue Management Training course, most of whom now work as venue managers at some of our high profiled venues, applying their skills in the real world. In 2023 we are looking forward to welcoming further 15 to 25 new young talents from our venues on the course.



“The venue management training course was a great opportunity for me to learn new skills and get formal recognition of the skills and experience that I have already acquired while working at REKOM. I do not know if I will work at REKOM forever, but by completing this course I can document the leadership skills and experience that I have - and I think that will become very much in handy, if and when I choose to move on

ANNI VESALA,
VENUE MANAGER AT HEIDI'S BIER BAR HELSINKI



Pryzm has fast become the nightclub to visit in Turku, and every weekend we are providing our guests with unforgettable moments by creating an atmosphere like nowhere else in the city - It has been a true pleasure to launch this Nightclub and witness how it has been received by the guests

ALEXANDER BRYAN,
VENUE MANAGER AT PRYZM TURKU

Launch of Pryzm Nightclub in Finland

On September 30, 2022, REKOM Finland opened the first Pryzm Nightclub outside the UK.

The launch of Pryzm in Turku is the first time that REKOM has taken a concept from REKOM UK and exported the concept to a new market.

With the opening of Pryzm in Finland, we are adding a new venue concept to the list of branded concepts, such as Heidi's Bier Bar and Proud Mary, that we are internationalizing. Pryzm is already a successful nightclub concept in the UK with venues in 10 cities including Birmingham, Cardiff, and Leeds, and REKOM sees a huge potential in bringing the concept to life in our Scandinavian markets.

This marks a new stage for REKOM, as it shows that REKOM has now grown to a size and has the capabilities to think and act across markets in a new way. We are in a sense moving from exporting Danish concepts to being truly international in exporting concepts across markets regardless of origin.

Pryzm has already become one of the favorite nightclubs in Turku every Friday and Saturday with people coming together for a great time. And with room for 600 people, it is also one of the largest nightclubs in the city.



ESG at REKOM: Our concern for sustainable development

I. REKOM'S STRATEGY TOWARDS SUSTAINABILITY

REKOM is committed to aligning its business model to the UN's global expectations of responsible business conduct.

We wish to contribute to – while preventing adverse impacts on – social, environmental, and economic sustainability. We are proud to be among the first companies in our industry, and in general, that has committed to implement the UN Guiding Principles for business and human rights (UNGPs) and the OECD Guidelines for Multinational Enterprises (OECD), also referred to as the internationally agreed minimum standard for responsible business conduct.

We understand that sustainability, including responsible business conduct, is critical to the continuous development of our business. With 215 venues (including franchises) in Denmark, Finland, Norway and the UK we are the largest nightlife company in Northern Europe. With our size comes responsibility and our tagline: "Raise the Bar", does not merely refer to our business but to our firm belief that REKOM can play a vital role in professionalizing the industry's performance also with regard to sustainability. Doing this requires diligent and strategic focus both on sustainability related risks and opportunities.

Our strategic objectives defined in 2021 were:

- Resilience to sustainability related risks
- Opportunities related to sustainability
- Plans for combatting climate change
- Consideration of stakeholders' interests and impacts on sustainability
- Our Implementation of our sustainability strategy

OUR RESILIENCE TO SUSTAINABILITY RELATED RISKS

To identify, prevent, or mitigate sustainability related risks we have established our sustainability risk management system, which enables us to stay vigilant towards any sustainability related risks that we may face moving forward. Please refer to point 6 below for further description of the management system.

OUR OPPORTUNITIES RELATED TO SUSTAINABILITY

We consider ourselves as important enablers for the fulfilment of two key elements of social sustainability: the right to participate in cultural life and the right to leisure. More than 15,000,000 people visit our venues every year. In addition, we actively address key elements of sustainability through three flagship initiatives:

Flagship initiative 1: EMPLOYEE WELLBEING AND MEANING

Employee wellbeing and meaning are at the heart of REKOM and are a must-win battle to unleash the full potential

of the company, short and long-term. In addition to this, working conditions remain a key societal challenge and REKOM aims to set an industry example on this issue. Therefore, meaningfulness is measured for all employees across all venues and departments, and the survey results are evaluated structurally to ensure engagement and meaningfulness continuously improve across REKOM.

REKOM employees have the highest sense of belonging in the hospitality industry: 84% versus 69% (or 4.18 versus 3.47)

Flagship initiative 2: HEALTH

We recognise that serving alcohol comes with a responsibility. We only serve to adults and have strict procedures in place to ensure that marketing activities follow the prevailing regulations in the markets in which we operate. We are fully committed to a zero-tolerance policy when it comes to underage drinking and are actively pursuing a minimum age of 18 to buy alcohol in Denmark. In addition, REKOM continues to explore ways in which to introduce a wider range of non-alcoholic drinks to our menus ensuring we can always offer quality alternatives for alcoholic beverages.

Flagship initiative 3: EDUCATION

We invest heavily in training and the formal education of our employees. Via REKOM Campus all REKOM employees go through mandatory tutorials covering our foundation, service level as well

as health and safety issues prior to beginning their first shift. The mandatory training also covers job specific functions and services. The framework consists of a lean structure for training modules, on the job peer-to-peer training, training shifts, participation in staff meetings, promotion, salary, health and safety (both employees and guests); security, fire exits, conflict management, responsible drinking, discrimination including hate speech and harassment, sales and product knowledge, recruitment and onboarding, and REKOM Group policies.

We see a huge potential in developing leadership talent within the organisation, and such talent has a high potential impact on the business. The positive impacts on society are obvious, as the competencies developed through training can be used outside the industry as well. We have made agreements with accredited educational institutions. REKOM young talents who complete our Venue Management Training course receive ECTS points for use in further education at a later stage.

Our plans for combatting climate change

REKOM fully recognizes the importance of transforming our societies into carbon-emission-free economies. REKOM's largest direct impact on CO₂-emission is linked to the electricity usage at our venues. Our fourth Flagship initiative relates to climate change.

Flagship initiative 4: SUSTAINABLE ENERGY CONSUMPTION

In 2022 REKOM switched to green electricity supply at all our venues in the Nordics. This means that from 2023 all electricity will be certified as coming from renewable energy sources.

Our consideration of stakeholders interests and impacts on sustainability

We fully understand and appreciate the need to constantly calibrate how our business impacts sustainability and how we take into consideration our stakeholders' interests. We do this through meaningfully engaging impacted stakeholders in our due diligence processes in line with UNGPs/OECD as well as local requirements. Please refer to point 2 below for a further description of the management system.

In addition, our fifth Flagship initiative addresses engagement with some key stakeholders:

Flagship initiative 5: COMMUNITY RELATIONS

We recognize that our business has an impact on our surroundings. Thus we always aim to improve the communities in which we operate. We seek a constructive dialogue with local communities and local authorities on how our operations can become a strong, contributing partner, in developing the leisure and experience economy in the cities in which we operate. We also collaborate actively with the authorities and other organisations to help make the nightlife of our cities an even safer space for our guests to be who they are. This includes close cooperation with both local police and other local stakeholders.

Our Implementation of our sustainability strategy

In addition to building REKOM's firm foundation of responsible business conduct in alignment with the UNGPs/OECD,

we, in 2021, conducted a traditional materiality assessment as part of forming our Environmental, Social and Governance ("ESG") strategy, informing us what topics are relevant to sustainability that some key stakeholders view as important to us.

We compared the findings to the topics most relevant to our business and identified the main areas for our strategic ESG focus. We identified 5 areas where we wish to strategically contribute to sustainable development. These areas cover:

- Safety and security,
- Responsible drinking,
- Our people and workplace,
- Responsible business, and
- Community relations

The principles-based approach to ESG which adheres to the design developed by UNGPs/OECD in 2021 enables us, through the due diligence processes, to identify all our risks of material impacts on social, environmental, or economic sustainability.

Consequently, we apply a double-materiality approach to our ESG work, as defined by the EU.

TOP MANAGEMENT ROLE, AND THEIR ACCESS TO EXPERTISE AND SKILLS ON SUSTAINABILITY

The REKOM Board of Directors and Executive Management Team are all involved in and take responsibility for the work on sustainability. REKOM top management continues to develop capacity in understanding and addressing sustainability, hereunder by adopting policies, establishing management systems, and reporting on performance, enabling continuous improvements on sustainability.

REKOM makes use of the cloud-based platform, csrCloud.com, that contains information to support and document proper implementation of sustainable due diligence

processes in alignment with the UNGPs/OECD; the standard for responsible business conduct that forms the basis for existing and emerging EU regulation on corporate sustainability.

Policies on sustainability

In 2018 our REKOM Board of Directors adopted our overall Sustainability Policy, that was updated in 2022 and will be published on our webpage in 2023 (refer to KPI tables). Other relevant policies and procedures related to our work on sustainability can be found on our homepage covering Code of Conduct for Business Relationships, Terms and Conditions - Bookings (UK market), Cookie Policy, Modern Slavery Statement, Terms and Conditions - for the supply of goods and services (UK market), Privacy Policies for all markets, and Website Terms of Use.

Incentive schemes to top management linked to sustainability

All full-time employees in managerial positions, i.e., venue- and regional managers and above, take part in our bonus systems; 50% of the bonus is dependent on the results of our biannual well-being survey; the so-called MQ meaningfulness survey.

Realization of sustainability targets, including GHG for 2022

Part of REKOM's regular impact assessments forming the due diligence process, please see section 2 below, consists of tracking effectiveness of our actions to prevent or mitigate adverse impacts where we identified risks. The indicators are different from the Key Performance Indicators (KPIs), which assist REKOM providing our stakeholders with an overall impression of our progress.

In addition, connected to our strategic ESG initiatives, we measure our overall performance on environment, social and governance related issues:



KPI	STATUS
Approved policy commitments (approval by Board of Directors)	✓
Approved Code of Conduct for Business Relationships (approval by executive management)	✓
Approved Code of Conduct for Employees (approval by executive management)	✓
First impact assessments conducted for UK operations (in alignment with the UNGP/OECD practise) ¹	⚡
Re-assessments done for Danish operations	✓
Finalized review of options to optimize existing grievance mechanisms	✓

Environment

During 2022 REKOM will implement a switch to green electricity at all Nordic venues	✓
Clean city initiatives for cleaner streets near venues	✓

Social

REKOM will conduct Meaningfulness Survey for all employees and 360° leadership assessments for all leaders	✓
REKOM will continue to focus on and invest in internal education, certifications, and policies for all employees via REKOM Campus - 1691 new employees went through frontliner training	✓
REKOM has zero tolerance for underage drinking at our venues and are working actively for the introduction of a minimum age of 18 years to be allowed to buy alcohol in Denmark – including the retail sector	✓
REKOM will continue to focus on ensuring diversity and a fair nightlife without discrimination in line with our commitments to the "Charter for a fair nightlife without discrimination", a result of collaboration in REGA	✓
Governance (See also KPIs concerning the implementation of management systems above KPIs A-F)	✓
Close cooperation with the police, municipalities, night patrols and other stakeholders to ensure an even safer nightlife for all (achieved)	✓

⬆️ Up ⬅️ Neutral ⬇️ Down

¹ REKOM decided to apply the cloud-based platform csrCloud.com for the ongoing sustainability due diligence process in REKOM. First impact assessments for all markets, Finland, Norway, and the UK, were prepared in 2022 and this KPI will be repeated for 2023.

Sustainability targets, including GHG for 2023

Policy commitment made public on webpage
Code of Conduct for Business Relationships made public on webpage
Code of Conduct for Employees made public on webpage
First impact assessments conducted for UK operations (in alignment with the UNGP/OECD practise)
Re-assessments done for Danish operations
Grievance mechanisms introduced to for access by impacted stakeholders

Environment

As of 2023 all electricity supplied to REKOM's venues in the Nordic markets will be certified from renewable energy sources
Number of complaints or public allegations from local authorities, neighbours, journals, or others on lacking waste management.

Social

REKOM will conduct Meaningfulness Survey for all employees and 360° leadership assessments for all leaders
Number of new employees who have gone through the frontliner training programme within 6 months after employment.
Number of incident reports (accidents or injuries)
Grievance mechanism established through new cloud solution

Governance

(See also KPIs concerning the implementation of management systems above KPIs A-F)
Number of incident reports (accidents or injuries) that involved local authorities



2. SUSTAINABILITY DUE DILIGENCE
Sustainability due diligence process

REKOM conducts annual impact assessments covering all key areas under sustainable development. Our assessments are conducted with assistance of subject experts. In 2023 we will develop one set of representative impact assessments for every country in which we are present. Our current assessments cover our Danish activities. We have identified risks of adverse impacts in relation to 22 of 48 human rights, 5 of 20 environmental areas, and 5 of 16 economic areas.

We assess both severe and non-severe human rights impacts. The purpose of human rights due diligence is to identify and manage risks of impacts before they escalate to severe impacts. For most identified risks, we found that we were already managing them well, i.e. acting to avoid that they turn into actual, or even severe, impacts. Where we identify that we have no risks, we will describe why we reached this conclusion.

In 2022 we prepared our Code of Conduct for Employees (CoCE) which will inform our employees in greater detail of their responsibility to assist us in meeting our responsibility. The CoCE will direct attention to the risks we identified and encourage employees to inform us if they identify risks of impacts that we may have missed.

Principal actual/potential adverse impacts in own operations and value chain, actions to identify/monitor those impacts

Our due diligence efforts for 2022 cover the Danish operations only. We identified risks of adverse impacts on 22 of 48 human rights, of which 6 risks are related to principal impacts (i.e., risks of 'severe' impacts). The 6 risk areas are:

- Right to non-discrimination
- Right to work (training, contract, termination) - vocational training
- Right to safe and healthy working conditions
- Right to health
- Right not to be subjected to degrading treatment
- Right to privacy

In our environmental due diligence, we identify risks of principal (significant) impacts only. The 5 of 20 environmental areas are:

- Water consumption
- Use of energy
- Use of ozone depleting substances or Persistent Organic Pollutants
- Noise emissions and light emissions
- Waste management of solid waste

Like our environmental due diligence, our economic due diligence identify risks of principal (significant) impacts only. The 5 of 16 economic areas are:

- Bribes to or corruption of individuals or entities

- Political contributions, charitable donations, and sponsorships in expectation of undue advantages
- Offering or accepting gifts beyond stated value (approvals)
- Abstain from cronyism and nepotism (conflicts of interest)
- Clearly define job duties based on skills, qualifications, and experience

Our due diligence management system ensures that these risks, and non-severe human rights risks, are managed in a transparent manner. Impacted stakeholders and business relationships can receive access to our full regular operational-level impact assessments upon request and as required by the UNPGs/OECD. The impact assessments include indicators to monitor effectiveness and the assessments are followed up in intervals not exceeding one year. REKOM requires from its business relationships that they manage their risks of impacts similarly.

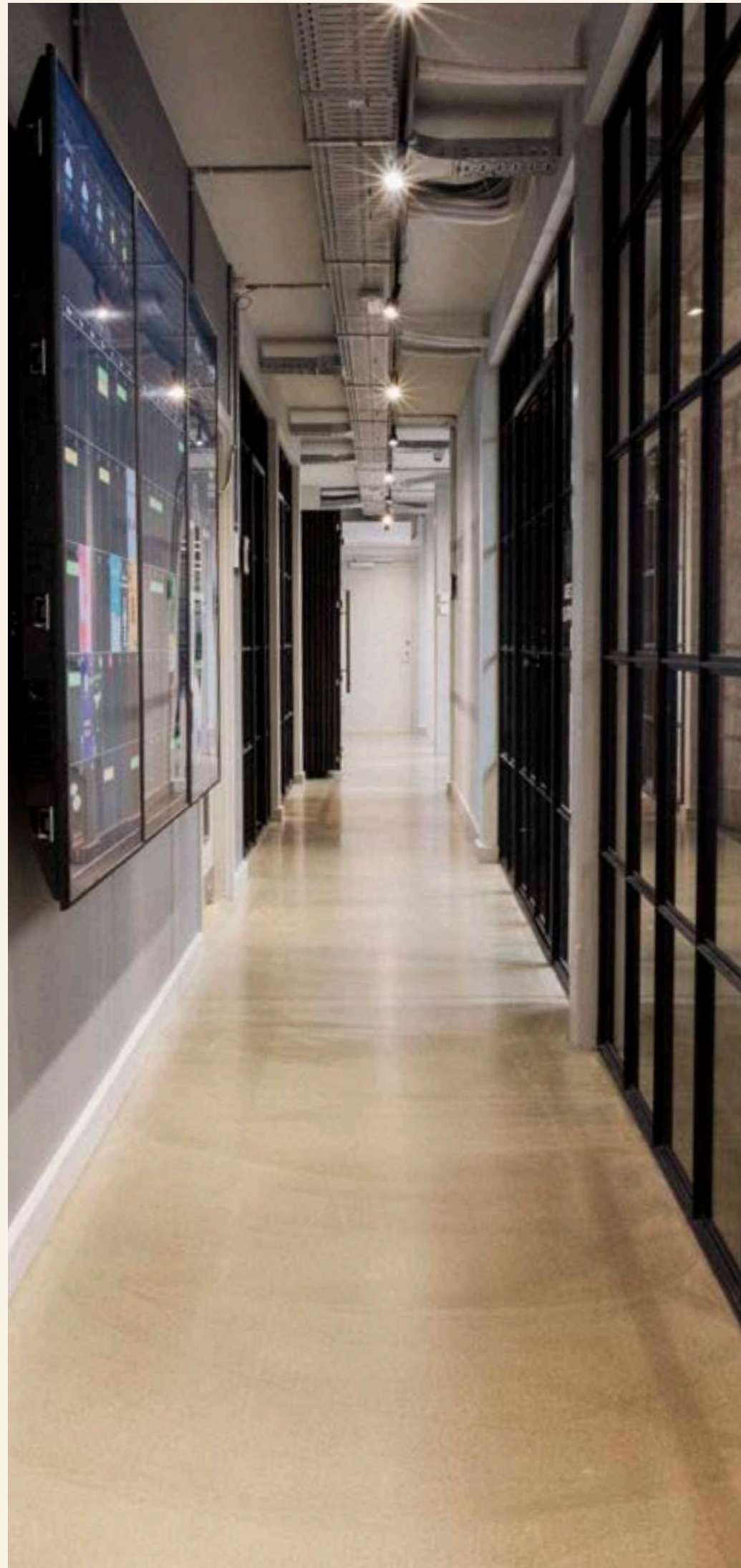
Actions taken to prevent, mitigate, remediate, or bring an end to actual or potential adverse impacts, and the result of such actions

Accounting for all our actions to prevent or mitigate potential adverse impacts or remedy actual impacts would become far too extensive for annual reporting purposes. As mentioned above, impacted stakeholders and business relationships can, upon request, gain access to our full latest impact assessments on all three bottom lines.



03

Governance



Governance

STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY (CSR) - §99A AND DATA ETHICS - §99D

BUSINESS MODEL

REKOM operates in the nightlife and retail industry, which is a highly fragmented industry with many independent market players. As the biggest player in Northern Europe with more than 6,850 employees, REKOM has a clear mission to be part of shaping the industry and raising standards.

Our key contribution is to provide unique social experiences and open doors to friendships and unforgettable moments for our more than 15 million annual guests. We leverage our more than 20 years of industry experience and actively seek to expand our geographical footprint using a multi-brand strategy that is based on a standard operating model, creating value to guests, employees, owners, and partners. In 2022 our concepts are active in Denmark, Norway, Finland and in the UK.

We are excited that extraordinary challenges to our business from the COVID-19 pandemic are coming to an end.

COMMITMENT AND DUE DILIGENCE

Since 2018, REKOM has been part of REGA (Restaurateurs' Guarantee Association) in Denmark - an industry-wide initiative with the ambition to advance responsible business conduct and sustainability in the whole industry. By joining REGA, REKOM, as an important player in the experience industry, seeks to inspire both employees and peers in the industry.

REKOM became a signatory to the UN Global Compact in 2018, pledging to report on our progress in aligning our strategies and activities with the core international principles of importance to sustainable development, namely human rights (including labour rights), environment (including the climate), and economic sustainability (including anti-corruption).

In 2022 the REKOM Board has adopted an overarching ESG Policy. REKOM commits to continuously conduct social, environmental, and economic due diligence in alignment with the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines on Multinational Enterprises (OECD). The UNGPs cover human rights, including core labour rights, and the OECD covers environmental and economic sustainability (including anti-corruption). REKOM notes that our Policy commitment to respect human rights also covers 'social conditions and employee relations' as defined in § 99a.

Similarly, our Policy commitment includes assessments on all human rights from all our activities, including impacts related to our use of new data-technologies where adverse impacts on the right to privacy are particularly relevant, see §99d.

ACCOUNT FOR DATA ETHICS, CONFER § 99D

REKOM meets all legal requirements in handling personal and employee data (GDPR). REKOM has since 2018 established a separate policy for data ethics. In addition, REKOMs overarching ESG policy explicitly requires REKOM to respect, and thereby conduct due diligence against, all human rights, (including any impacts on fundamental

rights), that REKOM's use of data may have. REKOM knows that data is of great importance to the business and that the treatment of personal data is of great importance to the individual. REKOM would never sell, share, or make personal data available to unauthorised third parties, and will make use of the data collected for the purposes declared in our data ethics policy only.

UNGPs/OECD provide for clear and structured management systems to form the basis of our engagement with sustainable development. Recovering from COVID-19, REKOM in 2021 - 2022 has considerably enhanced its engagement in sustainable development, see pages 41 to 42, that includes our KPIs as well.

KEEPING ABREAST OF INCREASING REGULATION

REKOM is pleased that its efforts enable the company to meet the minimum safeguards as defined by the 2020 EU 'Regulation on the establishment of a framework to facilitate sustainable investment' (art. 18). REKOM acknowledges that its business is not part of the scope of the regulation that focuses on substantial contributions to environmental sustainability but nevertheless, REKOM anticipates that its efforts enable it to meet both upcoming EU regulation on mandatory sustainability due diligence and EU Regulation on corporate sustainability reporting, and that its contributions under its ESG strategy may possibly fall within the scope of an upcoming social taxonomy.

REKOM's first social, environmental, and economic impact assessments were conducted in 2021 as part of its due diligence, see page 43.

The impact assessments identified risks of impacts to people and the society, including risks of material (also referred to as significant, severe, or salient) impacts. The first assessments covering the Danish operations were followed up in 2022, where REKOM prepared the management system to operations in Finland, Norway, and the UK as well. In 2021 and 2022 we identified no actual economic (anti-corruption) impacts indicating that our actions to prevent or mitigate impacts work.

REKOM's Policy commitment and due diligence cover requirements under the UK Modern Slavery Act. Whereas the UK Act deals with risks of getting involved with adverse impacts on one human right, our commitment covers all human rights from the International Bill of Human Rights.

To this end, REKOM has prepared a requirement for its business relationships to meet the internationally agreed minimum standard for responsible business conduct (UNGPs/OECD) with an aim to create transparency in value chains, including upstream supply chains. REKOM conducts due diligence in relation to all core elements of social, environmental, and economic sustainability, enabling it to become transparent on how it manages risks of impacts. REKOM will expect the same level of transparency from its business relationships and that they in turn extend the same expectation to their business relationships.

BOARD OF DIRECTORS

Following CataCap’s acquisition of REKOM in May 2018, a new Board of Directors was established. The Board currently comprises two mandatory representatives from CataCap, the CEO of REKOM, and three appointed board members. Out of the three appointed board members one is a woman. REKOM’s target for 2023 and going forward is to have at least one more woman in the board. Should the current board composition or mix of board profiles be up for revision, we will revisit the target. As of 31 December 2022, the overall board composition is 16% women (1/6), thus reaching our previous target. Target is set so women on the board must constitute 20% by end 2023.

REKOM KPIS FOR 2022 WERE:

- Approval by Board of Directors of our updated Policy Commitment (achieved)
- Approval by executive management of Code of Conduct for Business Relationships (achieved)
- Approval by executive management of Code of Conduct for Employees (achieved)
- First impact assessments in alignment with the UNGPs/OECD conducted for Finnish operations (assessments prepared in 2022 for execution in 2023)
- First impact assessments in alignment with the UNGPs/OECD conducted for Norwegian operations (assessments prepared in 2022 for execution in 2023)
- First impact assessments in alignment with the UNGPs/OECD conducted for UK operations (assessments prepared in 2022 for execution in 2023)
- Annual re-assessments carried through for REKOM Group and Danish operations (re-assessment carried out)
- Review of options to optimize existing grievance mechanisms or create other avenues in alignment with the UNGPs (solution for grievance mechanisms prepared)

REKOM KPIS FOR 2023:

- Policy Commitment communicated publicly through website
- Code of Conduct for Employees communicated publicly through website and to employees
- Assessments in alignment with the UNGPs/OECD conducted for Finnish operations
- Assessments in alignment with the UNGPs/OECD conducted for Norwegian operations
- Assessments in alignment with the UNGPs/OECD conducted for UK operations
- Re-assessments in alignment with the UNGPs/OECD carried through for Danish operations
- Grievance mechanisms established



Data ethics 2022

REKOM creates, withholds, and applies a wide range of data across its business. Those data include various aspects of data about our Guests, our employees, and metrics such as geolocation and personal information combined with behavioural data. REKOM commits to the national and EU legal rules and regulations on data usage and storage as part of its operating model and ensures that its internal Security and Governance Policy is at all times updated and reflected in the system landscape and applications in use or supporting its business.

DATA GOVERNANCE

REKOM IT is responsible for the governance, security and policies of all applications developed and owned and all tech contracts being 3rd party vendors to REKOM Group. The department is in the direct responsibility line of the Executive Management and undergoes an annual audit. Together with the Group Legal department, the department ensures incorporation of applicable data regulatory requirements across the system landscape and the associated data ethics. REKOM IT is responsible for ensuring the monitoring and reporting of any data ethic issues and reporting identified issues to the corresponding managerial levels within REKOM.

DATA USAGE

REKOM manages and/or processes the following data.

GUEST DATA

Information on the guest based on their sign up to our Services and Subscriptions or other similar engagement. Data on their age, empirical data of product purchases and preferred locations based on identifiable activity. All data is solely in use based on consent attained either through the NightPay application, REKOM operated websites or 3rd party Services.

PEOPLE & CULTURE

DATA Personal data defined as salary information of all Front-Liners (part-time employees). Data is collected within the REKOM solution CAMPUS and the REKOM designed and build Identity and Access Management platform. All data is tokenized and as such encrypted as part of the onboarding process and is deactivated as part of the leaving process.

OTHER REGULAR/CONTRACTUAL DATA

Financial data processed for Operational purpose such as KPI metrics, budgeting and controlling. Data is generated via Point of Sale solutions and 3rd party vendors. All Technology vendors must comply to the REKOM IT set of security and compliance policies.

USE OF NEW TECHNOLOGIES

All REKOM governed and owned systems are developed to support, expand and grow as part of the REKOM strategy. The processes running across REKOM departments committed to usage of data are enabled by new technology of algorithms and automation. As REKOM matures the expectation is to enable the underlying technology stack and by that transform data into artificial Intelligence, robotics and machine learning in order to support a data-driven growth of REKOM.

USE OF PERSONAL DATA REKOM IT

is committed to secure and protect all personal data of both employees and guests across the data platforms and systems. Examples are guest engagement via mail, text, or push notifications.

Management structure and governance

The overall responsibility and strategic management of REKOM lies with the Board of Directors (BoD), which is appointed by the shareholders. The BoD has appointed the Executive Management Team to handle the day-to-day management of the company.

MANAGEMENT STRUCTURE

In accordance with Danish regulation REKOM has a two-stringed management which consists of the BoD and the Executive Management Team. The division of responsibilities between BoD and Executive Management is described in the rules of procedure of the Board of Directors and in the associated instructions. The Board of Directors meets according to a set schedule at least 4 times a year. In addition, monthly Chairmanship meetings are held, and an annual strategy meeting is also held to determine REKOM's vision, goals, and strategy.

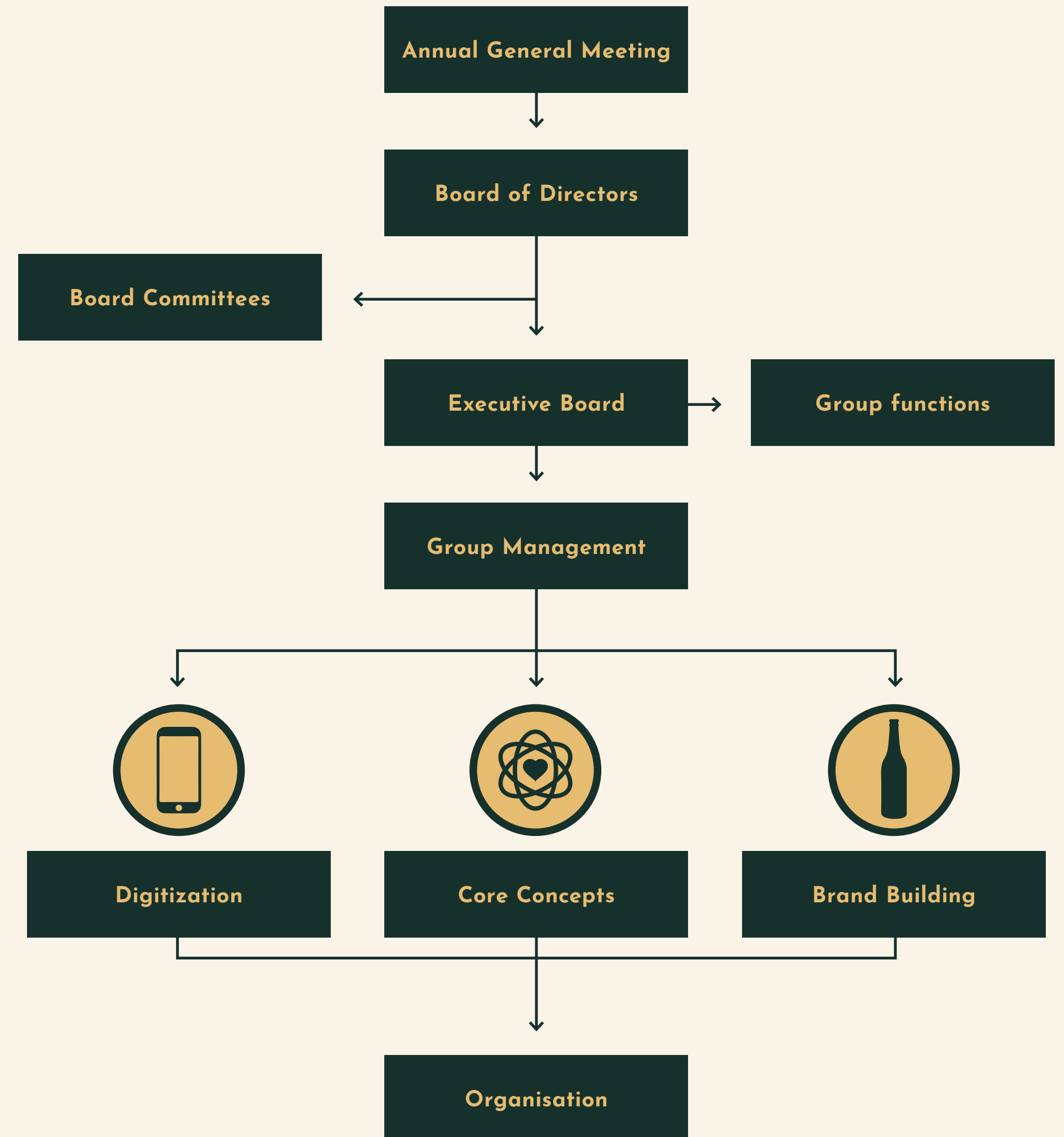
GOVERNANCE

In order to provide transparency REKOM follows the industry association "Aktive Ejere" (formerly "Danish Venture Capital and Private Equity Association") guidelines for responsible ownership and good corporate governance.

On this foundation, the Board of Directors and the Executive Management team have established internal procedures to ensure active, secure and value-creating management.

Likewise, the Board of Directors and the Chairmanship continuously monitor the Company's management structure and control systems to ensure that they are reliable and effective.

At board level, the fixed procedures include monthly reporting on all relevant economic and non-financial parameters, including risk assessment of investments in venues and markets.



Executive Management



ADAM FALBERT
Chief Executive Officer



JONATHAN GRUMME
Chief Operating Officer

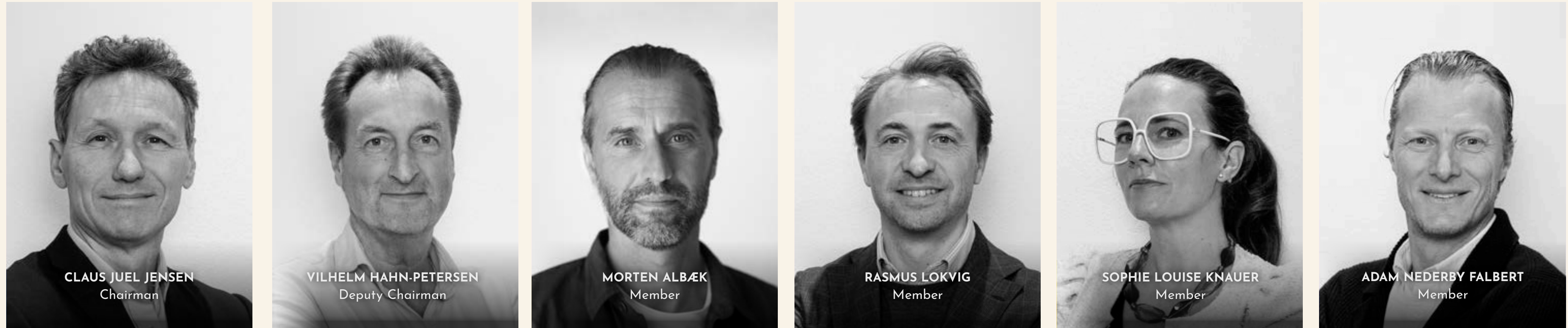


JESPER SCHALTZ
Chief Financial Officer



LARS MEJLGAARD
Chief Commercial Officer

Board of Directors



Nominated by	CataCap	CataCap	CataCap	CataCap	CataCap	REKOM management
Selected other management duties	<p>Tenax Sild A/S Chairman</p> <p>T. Hansen Gruppen A/S Chairman</p> <p>Europris Stores ASA Board Member</p> <p>Geia Food A/S Board Member</p>	<p>DAFA Group A/S Deputy Chairman of the Board</p> <p>Airhelp Limited Board Member</p> <p>TP Aerospace Holding A/S Board Member</p> <p>Catacap Management A/S Executive Management</p>	<p>Designskolen Kolding Chairman</p> <p>Joe & The Juice A/S Board Member</p> <p>AART Architechts A/S Board Member</p> <p>Mercurius International Board Member</p>	<p>CC Globe Holding II A/S Deputy Chairman of the Board</p> <p>Group Online A/S Deputy Chairman of the Board</p> <p>CC Toaster Invest ApS Executive Management</p> <p>MNGT4 RL ApS Executive Management</p>	<p>Solar A/S Board Member</p> <p>CC Globe Holding II A/S Board Member</p> <p>SKAKO A/S Board Member</p> <p>Ferm Living ApS Board Member</p>	<p>REKOM R&D ApS Board Member</p> <p>NightPay ApS Board Member</p> <p>MOKER Ejendomme ApS Board Member</p> <p>CC Mist NEW Holding II ApS Board Member</p>
Member of Chairmanship	X	X				X



04

Financial statements

Consolidated Financial Statements

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CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2022

IN THOUSANDS DKK	NOTES	2022	2021
Revenue	4	2,200,299	1,150,390
Costs of goods sold		-427,279	-212,725
Other external expenses		-561,218	-310,504
Staff costs	5	-775,150	-504,297
Other operating income	6	66,767	246,152
Operating profit before depreciation, amortisation (EBITDA) and special items		503,419	369,016
Depreciation, amortisation and impairment	7	-255,791	-209,390
Operating profit before interest, tax (EBIT) and special items		247,628	159,626
Special items	8	-34,237	-16,010
Financial income	9	5,766	6,331
Financial expenses	9	-198,312	-169,741
Profit before tax		20,845	-19,794
Tax for the year	10	-41,161	-7,096
Loss for the year		-20,316	-26,890
Total loss for the year is attributable to:			
Owners of Rekom Group Holding		-21,426	-28,669
Non-controlling interests		1,110	1,779
		-20,316	-26,890

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

IN THOUSANDS DKK	NOTES	2022	2021
Loss for the year		-20,316	-26,890
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Exchange differences on translation of foreign operations		-3,182	-7,308
Other comprehensive income for the year, net of tax		-3,182	-7,308
Total comprehensive income for the year		-23,498	-34,198
Total comprehensive income for the year is attributable to:			
Owners of Rekom Group Holding ApS		-24,168	-36,442
Non-controlling interests		670	2,244
		-23,498	-34,198

CONSOLIDATED BALANCE SHEET

As at 31 December 2022

IN THOUSANDS DKK	NOTES	2022	2021
Assets			
Non-current assets			
Goodwill		841,427	818,678
Acquired licenses		126,221	122,655
Acquired brands		75,898	83,357
Patents		1,210	327
Completed development projects		22,032	13,287
Development projects in progress		17,427	7,232
Intangible assets	13	1,084,215	1,045,536
Land and buildings		1,514	1,502
Other fixtures and fittings, tools and equipment		147,716	71,528
Leasehold improvements		311,220	230,899
Property, plant and equipment in progress		21,141	33,903
Property, plant and equipment	14	481,591	337,832
Right-of-use assets	15	1,023,885	886,508
Deferred tax assets	11	18,947	13,253
Investments in associates	12	2,242	943
Deposits		38,001	29,456
Total non-current assets		2,648,881	2,313,528
Current assets			
Inventories		48,071	46,590
Trade receivables	17	34,761	10,843
Receivables from group enterprises		2,019	3,953
Receivables from associates		3,203	0
Income tax receivables	10, 11	0	709
Prepayments		21,248	32,768
Other receivables		34,627	48,455
Cash and cash equivalents	18	196,836	396,045
Total current assets		340,765	539,363
Total assets		2,989,646	2,852,891

CONSOLIDATED BALANCE SHEET

As at 31 December 2022

IN THOUSANDS DKK	NOTES	2022	2021
Equity			
Share capital	20	18,425	17,635
Share premium		562,101	530,684
Reserve for treasury shares	21	-17,745	-16,075
Foreign currency translation reserve		-2,193	549
Retained earnings		-220,693	-213,837
Capital and reserves attributable to owners of Rekom Group Holding ApS		339,895	318,956
Non-controlling interests		20,546	35,772
Total equity		360,441	354,728
Liabilities			
Non-current liabilities			
Vendor loans	17	186,569	209,187
Borrowings	17	810,458	831,029
Lease liabilities	15	903,504	777,352
Deferred tax liabilities	11	24,953	24,427
Other liabilities		11,821	28,401
Payables to group enterprises		0	6,516
Total non-current liabilities		1,937,305	1,876,912
Current liabilities			
Borrowings	17	171,317	89,169
Lease liabilities	15	151,000	128,925
Trade payables		117,978	103,608
Prepayments received		7,294	0
Income tax liabilities	10, 11	22,480	19,465
Other liabilities		221,831	280,084
Total current liabilities		691,900	621,251
Total liabilities		2,629,205	2,498,163
Total liabilities and equity		2,989,646	2,852,891

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

IN THOUSANDS DKK	SHARE CAPITAL	SHARE PREMIUM	RESERVE FOR TREASURY SHARES	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	NON- CONTROLLING INTERESTS	TOTAL EQUITY
As at 1 January 2022	17,635	530,684	-16,075	549	-213,837	35,772	354,728
Loss for the period	0	0	0	0	-21,426	1,110	-20,316
Other comprehensive income	0	0	0	-2,742	0	-440	-3,182
Total comprehensive income	0	0	0	-2,742	-21,426	670	-23,498
Dividends	0	0	0	0	0	-1,325	-1,325
Capital increase	790	31,417	0	0	0	0	32,206
Purchase of treasury shares	0	0	693	0	0	0	693
Sale of treasury shares	0	0	-2,363	0	0	0	-2,363
Transactions with non-controlling interests	0	0	0	0	14,570	-14,570	0
Transactions with owners in their capacity as owners	790	31,417	-1,670	0	14,570	-15,896	29,211
As at 31 December 2022	18,425	562,101	-17,745	-2,193	-220,693	20,546	360,441

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

IN THOUSANDS DKK	SHARE CAPITAL	SHARE PREMIUM	RESERVE FOR TREASURY SHARES	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	NON- CONTROLLING INTERESTS	TOTAL EQUITY
As at 1 January 2021	6,059	311,661	-15,118	8,323	-185,168	16,902	142,659
Profit for the period	0	0	0	0	-28,669	1,779	-26,890
Other comprehensive income	0	0	0	-7,774	0	466	-7,308
Total comprehensive income	0	0	0	-7,774	-28,669	2,245	-34,198
Non-controlling interests on acquisition of subsidiary	0	0	0	0	0	17,525	17,525
Dividends	0	0	0	0	0	-900	-900
Conversion of loans	2,839	149,360	0	0	0	0	152,199
Capital increase	8,737	69,663	0	0	0	0	78,400
Purchase of treasury shares	0	0	-4,616	0	0	0	-4,616
Sale of treasury shares	0	0	3,659	0	0	0	3,659
Transactions with owners in their capacity as owners	11,576	219,023	-957	0	0	16,625	246,267
As at 31 December 2021	17,635	530,684	-16,075	549	-213,837	35,772	354,728

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

IN THOUSANDS DKK	NOTES	2022	2021
Cash flows from operating activities			
Operating profit before depreciation, amortisation and special items (EBITDA)		503,419	369,016
Changes in net working capital	19	1,780	245,666
Cash flows from operating activities before special items, financials and tax		505,199	614,682
Special items	8	-34,237	-16,010
Interest received		4,927	5,388
Interest paid		-198,831	-161,447
Income taxes paid		-11,644	-930
Cash flow from operating activities (CFFO)		265,414	441,683
Cash flows from investing activities			
Payment for acquisition of subsidiaries, net of cash acquired	25	-78,077	-41,587
Payments for intangible assets	13	-24,131	-15,612
Proceeds from the sale of intangible assets		0	1,667
Payments for property, plant and equipment	14	-206,825	-101,724
Proceeds from the sale of property, plant and equipment		-144	50,122
Payments for right-of-use assets		-11,376	-13,457
Payments for deposits		-9,657	-13,268
Cash flow from investing activities (CFFI)		-330,210	-133,859
Free cash flow (FCF)		-64,796	307,824
Cash flows from financing activities			
Repayment of borrowings	17	-45,942	-103,968
Proceeds from borrowings	17	52,725	139,510
Repayment of lease liabilities	15	-151,304	-96,716
Proceeds from group enterprises		1,269	-303
Repayment of group enterprises		-6,516	3,343
Dividends paid to non-controlling interests in subsidiaries		-1,325	-900
Equity shareholder increase	19	32,206	78,400
Purchase of own shares		-1,671	-957
Other adjustments		-4,604	2,522
Cash flow from financing activities (CFFF)		-125,162	20,931
Changes in cash and cash equivalents		-189,958	328,755
Cash and cash equivalents at the beginning of the financial year	18	396,045	63,881
Effects of exchange rate changes on cash and cash equivalents		-9,251	3,409
Cash and cash equivalents at end of year		196,836	396,045

ADJUSTED FREE CASH FLOW

For the year ended 31 December 2022

IN THOUSANDS DKK	NOTES	2022	2021
Free cash flow		-64,798	307,824
Net acquisition of subsidiaries and activities		235,569	134,810
Special items		34,237	16,010
Repayment of lease liabilities (IFRS 16 reversed)		-151,304	-96,715
Adjusted free cash flow		53,703	361,929

Adjusted free cash flow comprises of free cash flow adjusted for payments for acquisition of subsidiaries and activities including payments for property, plant & equipment to bring the acquisition to the desired state before operations commences, lease liability repayments, interests paid on lease liabilities and special items.

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of Rekom Group Holding ApS and its subsidiaries ('the group') for the year ended 31 December 2022 has been approved by the Board of Directors at its meeting on 23 February 2023 and will be presented to the shareholders of Rekom Group Holding ApS for approval on the annual general meeting.

The significant accounting policies adopted in the preparation of these consolidated financial statements are stated in this note as well as below in the relevant notes. These policies have been consistently applied to all the years presented.

The consolidated financial statements are for the group consisting of Rekom Group Holding ApS and its subsidiaries.

Basis of preparation

The consolidated financial statements of the group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU as well as additional Danish disclosure requirements applying to entities of reporting class C for large enterprises.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments measured at fair value.

The consolidated financial statements are presented in Danish Kroner (DKK) and all values are rounded to the nearest thousand, except when otherwise indicated.

PRINCIPLES OF CONSOLIDATION

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Danish Kroner (DKK), which is Rekom Group Holding ApS' functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they are attributable to part of the net investment in a foreign operation.

The results and financial position of foreign operations that have a functional currency different from Danish Kroner are translated into Danish Kroner as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates, and

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- all resulting exchange differences are recognised in other comprehensive income

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Change in accounting policy

The Group has changed its policy for accounting for investments in associates. The Group has adopted the equity method instead of measuring at cost. The Group acquired its first associate in 2021. An amount of DKK 943 thousands have been recognized as revaluation of associates under Financial Income, decreasing the loss for the year of 2021 from DKK 27,833 millions to DKK 26,890 millions. Equity as at 31 December 2021 was increased from DKK 353,785 millions to DKK 354,728 millions. Total assets as at 31 December 2021 was increased from DKK 2,851,948 millions to DKK 2,852,891 millions.

Foreign currency translation reserve

Exchange differences arising on translation of the parent company and of foreign controlled entities into DKK, are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Mergers involving entities under common control

As part of the group reorganisation carried out in 2021, the UK business activities, which was externally acquired in December 2020 was legally merged into the Group. As the merger involved entities within common control, the Group has chosen an accounting policy to account for the transaction by applying predecessor accounting.

Cost of goods sold

Costs of goods sold comprise costs regarding goods directly associated to achieve revenue for the year.

Other external expenses

Other external expenses comprise of expenses for marketing, IT, other premises cost, promotion, travelling as well as other sales and administrative expenses.

Inventories

Inventories are measured at the lower of cost and net realisable value under the FIFO method. The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses.

Other receivables

Other receivables comprise government compensation, marketing contributions and deposits.

Prepayments

Prepayments comprise prepaid expenses concerning acquisitions, insurance premiums and subscriptions.

Key figures

The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts. Please see section for key definitions and terms.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the group. These standards, amendments or interpretations are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

NOTE 2 SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information

about the basis of calculation for each affected line item in the financial statements.

Significant estimates made relate to:

- Recognition of government compensation (note 6)
- Recognition of special items (note 8)
- Recognition of deferred tax assets (note 11)
- Determination of lease term (note 15)
- Impairment of goodwill (note 16)
- Business combinations (note 25)

NOTE 3 GOING CONCERN

REKOM delivered strong results in 2022 and had a record high revenue and EBITDA in 2022. All markets showed strong growth compared to 2021.

REKOM UK has a strong financial position at year end. In beginning of 2023 management secured DKK 175M in new external financing. Some was used to pay existing debt facilities and the rest is planed to fund further growth in UK. The risk of liquidity shortage in Rekom UK is considered low. The new financing facility has certain restrictions and covenants attached but Management is confident that Rekom UK will comply with all restrictions and covenants in the loan agreement.

Rekom Nordic has also a reasonable financial position at year end. Expectations for 2023 are positive and the overall risk for Rekom Nordics breaching its' bank covenants are low. Management has secured additional funding of DKK 40M (Vendor Loan) in February 2023 from shareholders. Management has faith in REKOM NORDICS performing

according to the Board approved budget for 2023, but has also prepared contingency plans in case of negative budget deviation. In all scenarios, Management is confident that Rekom Nordics will comply with covenants in loan agreements.

The finance agreement of REKOM NORDICS has covenants that are sensitive to and depending on REKOM NORDICS performance on EBITDA and liquidity. In the management prepared scenarios there are assumptions on expectations to revenue, consumer behavior, costs, rents, wages and capex etc. Management does not expect any COVID-19 related restrictions during 2023.

Management assesses therefore that REKOM have sufficient liquidity and capital resources to continue their operations throughout 2023. Management therefore submits the annual report for 2022 on the assessment of going concern.

NOTE 4 REVENUE

Disaggregation of revenue from contracts with customers

Revenue from external customers relate to the sale of goods on a retail basis and is recognized at a point in time, and is derived in the following geographical regions:

2022

IN THOUSANDS DKK	DENMARK	NORWAY	FINLAND	UK	TOTAL
Revenue	750,579	474,560	145,803	829,357	2,200,299

2021

IN THOUSANDS DKK	DENMARK	NORWAY	FINLAND	UK	TOTAL
Revenue	337,974	182,934	71,598	557,884	1,150,390

ACCOUNTING POLICY

The group operates chains of nightclubs and bars selling goods to customers. Revenue from the sale of goods is recognised when a group entity sells a good to the customer.

Payment of the transaction price is due immediately when the customer purchases the good and takes delivery.

NOTE 5 STAFF COSTS

IN THOUSANDS DKK	2022	2021
Wages and salaries	695,419	471,647
Pension cost, defined contribution plans	14,012	7,845
Other social security costs	33,992	9,254
Other staff costs	31,727	15,551
	775,150	504,297
Average number of employees	1,763	1,468

Key management personnel compensation

Key management personnel consists of the Executive Board and the Board of Directors, The compensation paid or payables to key management personnel for employee services is shown below:

NOTE 5 STAFF COSTS (CONTINUED)

IN THOUSANDS DKK	2022	2021
Executive Board and Board of Directors		
Wages and salaries	1,616	1,626
Defined contribution plans	74	72
Other social security costs	0	3
Total	1,690	1,701

Remuneration to the Executive Board has not been separately disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act,

ACCOUNTING POLICY

Staff expenses comprise direct wages and salaries, remuneration, pension costs etc.

For defined contribution plans, the group pays contributions to publicly

or privately administered pension insurance plans on a voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

NOTE 6 OTHER OPERATING INCOME

Government compensation is comprised of compensation of costs, salaries or losses already incurred and recognized, All government compensations are related to COVID-19.

2022			
IN THOUSANDS DKK	NORDICS	UK	TOTAL
Government compensation	58,092	3,016	61,108
Other income	5,659	0	5,659
Total other operating income	63,751	3,016	66,767

2021			
IN THOUSANDS DKK	NORDICS	UK	TOTAL
Government compensation	192,764	53,388	246,152
Total other operating income	192,764	53,388	246,152

NOTE 6 OTHER OPERATING INCOME (CONTINUED)

ACCOUNTING POLICY

Compensations from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions. When

the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

Government compensation is recognized when there is reasonable assurance that the support will be received. Government compensation for costs, salaries or losses incurred and recognized

without resulting in further future costs, salaries or losses are recognized in the income statement as other operating income in the period where the compensation is granted.

NOTE 7 DEPRECIATION, AMORTISATION AND IMPAIRMENT

IN THOUSANDS DKK	2022	2021
Depreciation of property, plant and equipment	60,124	48,496
Depreciation of right-of-use assets	166,743	120,939
Amortisation of intangible assets	21,932	21,858
Gain and loss on disposal	144	1,215
Depreciation and amortisation	248,943	192,508
Impairment of property, plant and equipment	1,384	8,011
Impairment of right-of-use assets	0	2,781
Impairment of intangible assets	5,464	6,090
Impairment	6,848	16,882
Total depreciation, amortisation and impairment	255,791	209,390

NOTE 8 SPECIAL ITEMS

Special items are used in connection with the presentation of profit or loss for the year to distinguish consolidated operating profit from exceptional items, which by their nature are not related to the Group's ordinary operations or investment in future activities.

Special items reconcile to the income statement items as specified in the table below:

IN THOUSANDS DKK	2022	2021
One-off consulting costs	9,800	2,332
Transaction costs	8,638	6,240
Restructuring	5,793	3,989
Closed and refurbished venues	14,321	4,947
Insurance claims	-4,315	-1,498
Total special items	34,237	16,010

ACCOUNTING POLICY

Special items comprises of transaction costs, gains on bargain purchases relating to the acquisition of subsidiaries and activities, restructuring costs, and other costs and income which by their nature are not related to the Groups ordinary operations.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

In the classification of special items, judgement is applied in ensuring that only exceptional items not associated with the ordinary operations of the Group are included.

NOTE 9 FINANCIAL INCOME AND EXPENSES

IN THOUSANDS DKK	2022	2021
Financial income		
Interest income	2,318	2,279
Revaluation of associates	1,357	943
Foreign exchange rate gains	2,091	3,109
Total financial income	5,766	6,331
Financial expenses		
Interest paid on borrowings	133,877	128,245
Interest paid on lease liabilities	64,436	41,496
Total interest expense related to financial liabilities not at fair value through profit or loss	198,313	169,741
Foreign exchange rate losses	0	0
Total financial expenses	198,313	169,741

ACCOUNTING POLICY

Financial income and expenses (net financial items) include interest income and expenses calculated in accordance with the effective interest method as well as exchange rate gains and losses on foreign currency transactions and revaluation of associates using the equity method. Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

NOTE 10 INCOME TAX EXPENSE

IN THOUSANDS DKK	2022	2021
Current tax		
Current tax on profits for the year	21,626	11,987
Adjustments for current tax of prior periods	10,884	-507
Adjustments for deferred tax of prior periods	-3,524	0
Deferred tax	12,175	-4,384
Income tax expense	41,161	7,096

NOTE 10 INCOME TAX EXPENSE (CONTINUED)

IN THOUSANDS DKK	2022	2021
Profit before taxes	20,845	-20,737
Reconciliation of effective tax rate		
Tax at the Danish tax rate of 22% (2020: 22%)	-4,586	4,562
Impact of foreign tax rates on the tax rate	-1,407	1,339
	-5,993	5,901
Tax effects of amounts which are not deductible (taxable)		
Non-deductible expenses incl. interest deduction limitations	-22,519	-17,435
Non-taxable income	747	734
Other timing differences	-2,512	4,211
Adjustments for current tax of prior periods	-10,884	-507
	-35,168	-12,997
Income tax expense	-41,161	-7,096

ACCOUNTING POLICY

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

NOTE 11 DEFERRED TAX

IN THOUSANDS DKK	2022	2021
Deferred tax at the beginning of period	-11,174	-8,059
Deferred tax recognised in the statement of profit or loss	-12,175	4,384
Deferred tax recognised from business combinations	-660	-7,889
Adjustments for deferred tax of prior periods	3,524	0
Adjustments to deferred tax classification	14,098	0
Deferred tax recognised directly in equity	0	0
Exchange adjustment	383	390
Deferred tax at year end	-6,006	-11,174
Deferred tax relates to:		
Intangible assets	-40,493	-61,081
Property, plant and equipment	-9,471	-10,455
Right-of-use assets	6,861	3,801
Other assets	1,042	8,306
Other liabilities	7,147	-2,004
Tax losses carried forward	28,908	50,259
Total	-6,006	-11,174
Of which presented as deferred tax assets	18,947	13,253
Of which presented as deferred tax liabilities	-24,953	-24,427
Deferred tax at 31 December	-6,006	-11,174
Deferred tax asset not recognised in the balance sheet	4,322	3,454

NOTE 11 DEFERRED TAX (CONTINUED)

ACCOUNTING POLICY

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a

legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

Recognition of deferred tax assets

The deferred tax assets include an amount of DKK 28.9 million (DKK 50.3 million in 2021) which relates to carried-forward tax losses. The group has concluded that the deferred assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets. The losses can be carried forward indefinitely and have no expiry date.

In line with the requirements in IAS 12, the deferred tax assets and liabilities are offset as they have a legal right to set off and relate to income tax with the same taxation authority.

The recognised tax assets that relates to tax losses carried forward, which is the result of previous years taxable income, have all occurred after the beginning of the COVID-19 pandemic. Management assess the pandemic to be a very rare incident and as such an anomaly.

In connection with the assessment of the utilisation of the tax assets, special emphasis has been placed on this assessment, and the fact that all tax losses carry forward are in markets, where the group now is well established and these operations are expected to generate positive results going forward.

The group has unrecognised tax assets within Finland. The unrecognised tax assets are in the range of DKK 4,3 million (DKK 3.4 million in 2021), and has not been recognised due to uncertainties of the utilisation within the next 5 years. There tax loss carried forward is carried forward for 10 years in the local market and begin to expire from 2028. A change in ownership of the group may result in restrictions on the groups ability to use tax losses in certain jurisdictions.

NOTE 12 INVESTMENT IN ASSOCIATES

IN THOUSANDS DKK	2022	2021
Carrying amount:		
At 1 January	943	0
Revaluation of investments in associates	1,299	943
Carrying amount 31 December	2,242	943

NAME	PLACE OF REGISTERED OFFICE	VOTE	OWNERSHIP
I AM Drinks ApS	Denmark	32%	32%
Vi Älskar AB	Sweden	50%	50%

ACCOUNTING POLICY

Investments in associates are measured using the equity method. The entities listed have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of

incorporation is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

NOTE 13 INTANGIBLE ASSETS

IN THOUSANDS DKK	GOODWILL	ACQUIRED LICENSES	ACQUIRED BRANDS	PATENTS	COMPLETED DEVELOPMENT PROJECTS	DEVELOPMENT PROJECTS IN PROGRESS	TOTAL
Cost:							
At 1 January 2022	820,313	157,029	97,616	409	35,575	7,232	1,118,174
Additions	0	0	0	1,000	12,936	10,195	24,131
Additions from business combinations	34,771	15,747	3,000	0	0	0	53,519
Disposals	0	0	0	0	-7,351	0	-7,351
Transfers	0	0	0	0	0	0	0
Exchange adjustments	-7,270	-1,866	-3,257	0	-188	0	-12,581
At 31 December 2022	847,814	170,911	97,359	1,409	40,972	17,427	1,175,892
Accumulated depreciation and impairment:							
At 1 January 2022	1,635	34,374	14,259	82	22,288	0	72,638
Amortisation for the year	0	10,621	6,906	120	4,285	0	21,932
Impairment for the year	4,757	173	533	0	0	0	5,464
Exchange adjustments	-5	-479	-237	-3	-11	0	-735
Impairment and depreciation on disposals	0	0	0	0	-7,622	0	-7,622
At 31 December 2022	6,387	44,689	21,461	199	18,940	0	91,677
Carrying amount 31 December 2022	841,427	126,221	75,898	1,210	22,032	17,427	1,084,215

NOTE 13 INTANGIBLE ASSETS (CONTINUED)

IN THOUSANDS DKK	GOODWILL	ACQUIRED LICENSES	ACQUIRED BRANDS	PATENTS	COMPLETED DEVELOPMENT PROJECTS	DEVELOPMENT PROJECTS IN PROGRESS	TOTAL
Cost:							
At 1 January 2021	738,889	138,880	89,775	409	27,195	0	995,148
Additions	0	0	0	0	8,380	7,232	15,612
Additions from business combinations	78,664	17,044	3,664	0	0	0	99,372
Disposals	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Exchange adjustments	2,760	1,105	4,177	0	0	0	8,042
At 31 December 2021	820,313	157,029	97,616	409	35,575	7,232	1,118,174
Accumulated depreciation and impairment:							
At 1 January 2021	1,630	21,327	7,087	41	14,256	0	44,341
Amortisation for the year	0	9,611	6,642	41	5,564	0	21,858
Impairment for the year	0	3,192	430	0	2,468	0	6,090
Exchange adjustments	5	244	100	0	0	0	349
Impairment and depreciation of disposals	0	0	0	0	0	0	0
At 31 December 2021	1,635	34,374	14,259	82	22,288	0	72,638
Carrying amount 31 December 2021	818,678	122,655	83,357	327	13,287	7,232	1,045,536

NOTE 13 INTANGIBLE ASSETS (CONTINUED)

Development projects

Development projects comprises the cost directly related to the development phase of new employee apps, the further development of ERP and further development of the membership- and loyalty-app.

Goodwill, licenses, and brands

Goodwill, licenses, and brands comprises of values arising from acquisition of subsidiaries and activities.

ACCOUNTING POLICY

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cashgenerating units for the purpose of impairment testing. The allocation is made to those cashgenerating units or groups of cashgenerating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Patents and brands

Acquired patents and brands are shown at historical cost. Patents and brands acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Development projects

Costs associated with research are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of a development project include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are amortised from the point at which the asset is ready for use.

Amortisation methods and useful lives

The group amortises intangible assets with a limited useful life, using the straight-line method over the following periods:

Goodwill	Not amortized
Acquired licenses	10-20 years
Acquired brands	10-15 years
Acquired patents	20 years
Completed development projects	3-10 years
Development projects in progress	Not amortized

NOTE 14 PROPERTY, PLANT AND EQUIPMENT

IN THOUSANDS DKK	LAND AND BUILDINGS	LEASEHOLD IMPROVEMENTS	OTHER FIXTURES, FITTINGS AND EQUIPMENT	PLANT AND EQUIPMENT IN PROGRESS	TOTAL
Cost:					
At 1 January 2022	1,824	356,155	172,927	33,903	564,809
Additions	50	18,279	108,756	79,740	206,825
Additions from business combinations	0	7,245	2,382	0	9,627
Transfers	0	91,139	303	-91,442	0
Disposals	0	19	-127	0	-108
Exchange adjustment	-1	-8,824	-8,522	-1,060	-18,407
At 31 December 2022	1,874	464,012	275,719	21,141	762,746
Accumulated depreciation and impairment:					
At 1 January 2022	322	125,256	101,399	0	226,977
Depreciation for the year	37	30,047	30,040	0	60,124
Impairment for the year	0	1,212	172	0	1,384
Exchange adjustment	0	-3,721	-3,604	0	-7,325
Impairment and depreciation of disposals	0	0	-4	0	-4
At 31 December 2022	359	152,793	128,003	0	281,155
Carrying amount 31 December 2022	1,514	311,220	147,716	21,141	481,591

NOTE 14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

IN THOUSANDS DKK	LAND AND BUILDINGS	LEASEHOLD IMPROVEMENTS	OTHER FIXTURES, FITTINGS AND EQUIPMENT	PLANT AND EQUIPMENT IN PROGRESS	TOTAL
Cost:					
At 1 January 2021	1,824	304,848	154,064	5,940	466,676
Additions	0	38,227	29,594	33,903	101,724
Additions from business combinations	0	9,687	3,034	0	12,721
Transfers	0	5,940	0	-5,940	0
Disposals	0	-4,853	-15,268	0	-20,121
Exchange adjustment	0	2,306	1,503	0	3,809
At 31 December 2021	1,824	356,155	172,927	33,903	564,809
Accumulated depreciation and impairment:					
At 1 January 2021	286	98,311	75,817	0	174,414
Depreciation for the year	36	23,500	24,960	0	48,496
Impairment for the year	0	5,896	2,115	0	8,011
Exchange adjustment	0	1,932	950	0	2,882
Impairment and depreciation of disposals	0	-4,383	-2,443	0	-6,826
At 31 December 2021	322	125,256	101,399	0	226,977
Carrying amount 31 December 2021	1,502	230,899	71,528	33,903	337,832

NOTE 14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The impairment loss relates to impairment of fixed assets in loss-making venues and reversal of depreciations on disposed assets.

ACCOUNTING POLICY

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Depreciation methods and useful lives

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Land and buildings	50 years
Leasehold improvements	3-10 years
Other fixtures, fittings and equipment	3-5 years
Plant and equipment in progress	Not depreciated

NOTE 15 LEASES

The Group leases its venues, offices, warehouses, and vehicles. The vast majority of the Group's leases are related to property leases for venues, which are typically leased for 5-10 years in the Nordics and 10-20 years in the UK. In some leases extension or termination options are included as described below. The Group has both fixed rent and revenue-based rent contracts. This note provides information for leases where REKOM is a lessee.

IN THOUSANDS DKK	2022	2021
Amounts recognised in the balance sheet		
The balance sheet shows the following amounts relating to leases:		
Right-of-use assets		
Properties	1,023,237	885,814
Vehicles	648	694
Total right-of-use assets	1,023,885	886,508
Additions to the right-of-use assets	255,377	460,525
Lease liabilities		
Current	151,000	128,925
Non-current	903,504	777,352
Total lease liabilities	1,054,504	906,277
Amounts recognized in the statement of profit or loss		
The statement of profit or loss shows the following amounts relating to leases:		
Depreciation charge of right-of-use assets		
Properties	165,150	120,494
Vehicles	478	445
Total depreciation of right-of-use assets	165,628	120,939
Interest expense on lease obligations	64,436	41,496
Expense relating to short-term leases	3,112	3,161
Expense relating to variable lease payments not included in lease obligations	3,458	672
Income related to COVID-19-Rent Concession exemption	0	-546
Total cash outflow for leases	208,106	141,499

NOTE 15 LEASES (CONTINUED)

ACCOUNTING POLICY

Whether a contract contains a lease is assessed at contract inception. Lease agreements may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leases assets that are held by the lessor. As the Group's lease activities mainly relate to property, the terms and conditions applied in these leases are governed by the local legislation in each country in which the Group operates.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease obligations include the net present value of the following lease payments:

- fixed payments less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as the commencement date
- the exercise price of a purchase option if the group is reasonably certain to exercise the option and
- payments of penalties for terminating the lease if the lease reflects the group exercising that option

Lease payment to be made under reasonably certain extension options are also included in the measurement of the liability. The Group has no contracts with residual value guarantees.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses third-party financing received as a starting point, adjusted to reflect

changes in financing conditions since third party financing was received, then uses a build-up approach on top third-party financing. The build-up approach applied adjusts for country, lease term, security, value, country of the lease and the economic environment for each lease.

The Group is exposed to potential future increases in lease payments based on an index or a rate, which are not included in the lease liability until they take effect. When variable adjustments to lease payments based on an index or a rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease obligations
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs and
- reestablishment costs

Right-of-use assets are subsequently measured less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term on a straight-line basis. The Group has no leases with purchase options.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

The Group has chosen to adopt the exemption regarding COVID-19-Related Rent Concessions. As such, any rent concession received has been recognised in the profit or loss for the period as a negative variable lease payment. The exemptions have been applied retrospectively for the comparative figures as well.

NOTE 15 LEASES (CONTINUED)

ACCOUNTING POLICY (CONTINUED)

Extension and termination options

Some property leases include extension and/or termination options. These are used to maximise flexibility in the Group's operations. Management has included the lease term impact of extension and termination options in the lease term to the extent Management finds it reasonably certain that extension options will be utilised, and reasonably certain that termination options will not be utilised. The following factors are normally the most relevant:

- How the asset supports the strategic direction of the group including the location of the asset, strategic fit and the timing of the

option being exercisable (or the expiry of the option)

- If significant penalties to terminate (or not extend) the lease exists, the Group is more likely to not terminate (or to extend)
- If any leasehold improvements hold significant value, the group is more likely to extend (or not terminate)

If the Group included all extension options in its estimate, the lease liability as of 31 December 2022 would increase DKK 49,209 thousands or 5%.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

Management has made estimates regarding, among other, leases to be included, the lease term of open-ended contracts, the utilisation of extension and termination options, reestablishment provisions, low-value and short-term contracts and the incremental borrowing rate.

Most property lease agreements are open-ended. For open-ended contracts, Management has estimated the lease term using licenses and permissions regarding a given venue as the primary guideline. The longer of the estimated lease period and the non-cancellable period of a property lease has been applied as the lease term when calculating the Group's lease liabilities. For example, if Management

estimates the lease period for a venue with an open-ended contract to be 8 years, but the non-cancellable period is only 5 years, 8 years of lease obligation has been applied. If the Group extended the estimated lease terms for all open-ended contracts with one year, the total lease liability as of 31 December 2022 would increase by DKK 48,221 thousands or 5%.

NOTE 16 IMPAIRMENT TESTS

Impairment tests for goodwill

Goodwill is monitored by management at the country level, being Denmark, Norway, Finland and the UK.

2022

IN THOUSANDS DKK	DENMARK	NORWAY	FINLAND	UK	TOTAL
Goodwill	528,190	288,391	14,956	9,890	841,427

NOTE 16 IMPAIRMENT TESTS (CONTINUED)

2021

IN THOUSANDS DKK	DENMARK	NORWAY	FINLAND	UK	TOTAL
Goodwill	515,116	288,236	5,934	9,392	818,678

2022

KEY ASSUMPTIONS	DENMARK	NORWAY	FINLAND	UK
Budget				
Average growth rate in the budget period	2.0%	2.0%	2.0%	2.0%
Operating margin	17.4%	16.8%	15.6%	12.8%
Growth				
Growth rate in the terminal period	2.0%	2.0%	2.0%	2.0%
Pre-tax discount rate	7.8%	7.8%	7.8%	7.8%

2021

KEY ASSUMPTIONS	DENMARK	NORWAY	FINLAND	UK
Budget				
Average growth rate in the budget period	2.0%	2.0%	2.0%	2.0%
Operating margin	15.6%	17.2%	16.5%	14.5%
Growth				
Growth rate in the terminal period	1.0%	1.0%	1.0%	1.0%
Pre-tax discount rate	7.7%	7.7%	7.7%	7.7%

ACCOUNTING POLICY (CONTINUED)

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-current assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing

impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-current assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

NOTE 16 IMPAIRMENT TESTS (CONTINUED)

SIGNIFICANT ESTIMATES AND JUDGEMENTS

Key assumptions used for value-in-use calculations

For the 2022 and 2021 reporting periods, the recoverable amount of goodwill of the CGU's was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management. Cash flows beyond the budgeted period are extrapolated using the estimated growth rates stated above.

Management's key assumptions relate to:

- 1) inflation impact and expectations
- 2) the post COVID-19 world and
- 3) expected growth.

Inflation has affected the economy broadly throughout 2022. The Group has initiated steps to mitigate inflation impact on future net cash flow. Further, inflation has been cooling of in the Group's operating market, hence it is expected the future impact of inflation will normalize. The margins in the expected future cash flow has been adjusted downwards in the impairment test to factor in this effect.

Management does not expect COVID to affect the operations in any markets going forward and expect full operating levels similar to the pre-pandemic era.

Expected growth is based on historic growth rates. Only existing venues are included in the budget.

The growth rates are consistent with forecasts included in industry specific reports. Discount rates reflect the risk-free interest rate with the addition of risks relating to the CGU's including financial exposure and is calculated in accordance with IAS 36. The same assumptions has been applied to all CGU's as operations within each CGU are similar.

The expected future net cash flow is based on budgets approved by management including capital expenses to maintain venues, but does include potential future incomes and expenses regarding acquisitions and expansion. After the budgeted period, a growth rate in line with the expected long-term average growth rate has been applied.

NOTE 17 FINANCIAL ASSETS AND LIABILITIES

The group holds the following financial instruments:

IN THOUSANDS DKK	2022	2021
Financial assets		
Financial assets at amortised cost		
Trade receivables	34,761	10,843
Receivables from group enterprises	2,019	0
Cash and cash equivalents	196,836	396,045
Total financial assets	233,616	406,888
Financial liabilities		
Liabilities at amortised cost		
Trade payables	117,978	103,608
Borrowings	942,614	920,198
Lease liabilities	1,054,503	906,277
Payables to group enterprises	0	6,516
Total financial liabilities	2,115,095	1,936,599

NOTE 17 FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

The group's exposure to various risks associated with the financial instruments is discussed in note 18.

IN THOUSANDS DKK	2022			2021		
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Bank overdrafts	0	0	0	0	0	0
Bank loans	132,156	810,458	942,614	0	831,029	831,029
Other loans	0	186,569	186,569	89,169	209,187	298,356
Total	132,156	997,027	1,129,183	89,169	1,040,216	1,129,385

The borrowings comprise of acquisition related loans as well as revolving facilities to fund the ongoing operations. There are covenants attached to the loan facilities.

50 mDKK of loan from credit institution is guaranteed by the Danish Growth Fund by 70%.

IN THOUSANDS DKK	FIXED/FLOATING	EFFECTIVE INTEREST RATE	CURRENCY	MATURITY	CARRYING AMOUNT
Loan from credit institution	Floating	2.25% - 10.50%	DKK, NOK	2025	846,605
Term Loan	Fixed	20.00%	DKK	2023	96,009
Revolving Facility	Floating	2.00% - 4.50%	DKK	2025	0
Vendor loans	Fixed	6.00%	DKK, NOK	2025	186,569
Total borrowings at 31.12.2022					1,129,183

Loan from credit institution	Floating	2.25% - 9.50%	DKK, NOK	2025	831,029
Term Loan	Fixed	20.00%	DKK	2023	89,169
Revolving Facility	Floating	2.00% - 4.50%	DKK	2025	0
Vendor loans	Fixed	6.00 - 10.50%	DKK, NOK	2025	209,187
Total borrowings at 31.12.2021					1,129,385

Loan from credit institutions is paid in full at maturity. Term Loan is repayable in full at maturity. No part of vendor loans are convertible on fair market value terms (DKK 32 million in 2021).

NOTE 17 FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

ACCOUNTING POLICY

Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost less loss allowance. The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss.

Trade payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction expenses incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds and the redemption value are recognised in the income statement over the period of the

borrowings using the effective interest method.

When a loan is convertible into shares, the equity conversion feature is separated from the debt host contract and accounted for separately, if the difference between the exercise price and the carrying amount of the loan could be more than insignificant.

On conversion, the loan is derecognised as a financial liability and the carrying amount of the loan immediately prior to the conversion is transferred to equity.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

NOTE 18 FINANCIAL RISK MANAGEMENT

Due to REKOM's strategy of becoming a player on the global nightlife scene, risks are an embedded part of doing business. The group is therefore exposed to certain risks from financial instruments which can have an impact on the consolidated financial statements of the group.

The Group's principal financial assets include cash at banks and trade receivables, whereas the financial liabilities primarily consist of vendor loans and borrowings, lease liabilities as well as trade and other payables. The main purpose of the financial liabilities is to finance the Group's operations.

A key principle of the Group's risk management is the unpredictability of the financial markets and the aim to minimize its adverse effects on the Group's net income. The Group's financial management identifies, estimates and tracks risks and, whenever necessary, initiate actions to mitigate the Group against the risks. The Group's financing policy guides all its financing transactions.

The main risks associated with the financing market are explained below.

The group is exposed to market risk, credit risk and liquidity risk.

MARKET RISK

Market risk comprise of interest rate risk and currency risk.

INTEREST RATE RISK

Interest rate risk includes the risk of changes in the fair value of a financial instrument or in future cash flows due to changes in market interest rates.

REKOM's main interest rate risk arises from loans and borrowings with floating rates of interest as well as cash at banks, which expose the Group to cash flow interest rate risk. Details about REKOM's loans and borrowings, including its composition, are provided in note (17).

NOTE 18 FINANCIAL RISK MANAGEMENT (CONTINUED)

At 31 December 2022, the carrying amount of the Group's interest-bearing debt carrying a floating rate amounts to DKK 942,614 thousands (2021: DKK 831,029 thousands). However, due to the margin ratchets on the term-loans there is a cap on the interest rate, which all other things being equal reduces REKOM's exposure to increases in market rates of interest.

It is REKOM's policy not to hedge its exposure from changes in market rates of interest.

A reasonably possible change in the market interest rate compared to the interest rates as of the end of the reporting period will have the following hypothetical impact on profit after tax and equity:

IMPACT ON PROFIT AFTER TAX AND EQUITY	2022	2021
Interest rate - increase of 100 basis points	-11,293	0
Interest rate - decrease of 100 basis points	11,293	11,290

The sensitivity analysis is based on the assumption that all other variables and exposures remain constant. The impact on net profit is based on those financial instruments that were recognised at the respective balance sheet dates. The sensitivity analysis does not consider impact from repayments and other changes in borrowings made during the year. In 2021, the interests rates in REKOM's financing agreements were maxed out, thus no risk of interest increases existed.

CURRENCY RISK

Foreign currency risk is the risk that the fair value or future cash flows of a balance sheet exposure will fluctuate because of changes in foreign exchange rates.

REKOM is in all material aspect generating its sales transaction in local currencies being DKK, NOK, EUR and GBP. The majority of purchases are also made in local currencies. Thus, the group's exposure to fluctuations in foreign exchange rates are primarily related to cash balances and loans obtained in currencies different from the respective functional currencies. As of 31 December 2022, the Group's exposure to foreign currency risk is primarily related to EUR, NOK and GBP.

However, due to the fixed exchange rate regime between DKK and EUR, the Group's exposure to changes in the DKK/EUR exchange rate is insignificant.

It is the group's policy not to hedge its exposure from currency risks.

A reasonable possible change in the DKK/GBP and DKK/NOK exchange rate of 5% compared to the exchange rate at the end of the reporting period will have the following hypothetical impact on profit after tax and equity:

IMPACT ON PROFIT AFTER TAX AND EQUITY	2022	2021
DKK/NOK - change of 5 %	6,897	8,028
DKK/GBP - change of 5 %	7,894	5,333

The analysis includes the impact from monetary items denominated in foreign currencies as outstanding at the end of the respective reporting period.

CREDIT RISK

Credit risk arises primarily from REKOM's cash position and to a minor degree from trade receivables.

Accordingly, the most significant counterparty risk is related to deposit with banks, as the Group's cash balance at 31 December 2022 amounts to DKK 196,836 thousand (2020: DKK 396,045 thousand). To mitigate this risk, it is REKOM's policy only to use financial counterparties possessing a satisfactory long-term credit rating from an internationally recognized agency.

The maximum credit risk related to financial assets corresponds to the carrying amounts recognised in the consolidated balance sheet.

LIQUIDITY RISK

It is an objective of REKOM's treasury policy to ensure that the Group always have sufficient and flexible financial resources at the group's disposal to ensure continuous operations and to honor liabilities when they become due. The financial resources are continuously monitored and consist of cash and cash equivalents and committed facilities. Management oversees the Group's liquidity positions weekly, to ensure that the Group has sufficient liquidity available.

The Group has access to a revolving credit facility of DKK 50 million, which has not been drawn as of 31 December 2022.

NOTE 18 FINANCIAL RISK MANAGEMENT (CONTINUED)

Maturities of financial liabilities

The amounts disclosed in the following table are the contractual undiscounted cash flows.

*Deferred consideration comprise of deferred payments and contingent considerations related to acquisitions of subsidiaries.

Deferred considerations is presented as other liabilities.

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES				TOTAL	CARRYING AMOUNT
	< 1 YEAR	1 - 5 YEARS	> 5 YEARS	CONTRACTUAL CASH FLOWS	
Trade payables	117,978	0	0	117,978	117,978
Borrowings	96,333	941,442	1,350	1,039,125	942,614
Vendor loans	0	219,377	32,718	252,095	186,569
Deferred consideration*	38,092	6,610	0	44,701	44,701
Lease liabilities	220,489	665,465	412,989	1,298,943	1,054,503
At 31 December 2022	472,892	1,832,894	447,057	2,752,843	2,346,366
Trade payables	103,608	0	0	103,608	103,608
Borrowings	170,680	1,055,020	1,386	1,227,086	920,198
Vendor loans	0	247,492	31,934	279,426	209,187
Payables to group enterprises	6,516	0	0	6,516	6,516
Deferred consideration*	23,748	21,334	0	45,082	45,082
Lease liabilities	178,401	609,137	357,696	1,145,234	906,277
At 31 December 2021	482,953	1,932,983	391,016	2,806,952	2,190,868

The maturity analysis is based on the following assumptions:

- The amounts disclosed in the table are the contractual undiscounted cash flows (including interest payments). Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. Interest payments are estimated based on current market conditions.
- Payments for lease liabilities includes only lease agreements which have commenced before the end of the reporting period.
- As there is no upper limit to the contingent consideration, the amount disclosed reflects the most likely amount to be paid and is presented within the time-band it is due for payment according the agreement.

NOTE 19 CASH FLOW SPECIFICATIONS

IN THOUSANDS DKK	2022	2021
Change in inventories	-2,498	-29,911
Change in receivables	8,016	-5,943
Change in trade payables	14,456	74,620
Change in other liabilities	-18,194	206,900
Changes in net working capital	1,780	245,666

IN THOUSANDS DKK	VENDOR LOANS	BORROWINGS	LEASES	TOTAL
Cash flows	-22,618	6,782	-151,304	-167,140
New leases	0	0	244,204	244,204
Foreign exchange adjustments	0	-16,628	-34,877	-51,505
Other changes *	0	252	90,203	90,455
At 31 December 2022	186,569	871,366	1,054,503	2,112,438
Cash flows	-103,968	139,510	-96,716	-61,174
New leases	0	0	434,424	434,424
Foreign exchange adjustments	1,534	12,465	16,602	30,601
Other changes *	3,114	-91,114	29,967	-58,033
At 31 December 2021	209,187	880,960	906,277	1,996,424

* Other changes includes adjustments to measurement of lease liabilities, amortisation of loan costs and conversion effects.

NOTE 19 CASH FLOW SPECIFICATIONS (CONTINUED)

ACCOUNTING POLICY

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 are calculated using the indirect method based on operating profit before depreciation, amortisation and special items (EBITDA) adjusted for non-cash operating items, changes in net working capital, financial items and taxes paid.

Working capital comprises current assets less short-term debt, excluding items included in cash and cash equivalents. The cash flow statement cannot be derived directly from the balance sheet and income statement.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of businesses and non-current assets.

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

Cash and cash equivalents comprises cash and bank balances.

NOTE 20 SHARE CAPITAL

The company's share capital is divided into seven classes of shares, A-shares, B1-shares, B2-shares, B3-shares, B4-shares, B5-shares and B6-shares each of a nominal value of DKK 0.001. Each A-share shall carry one vote and none of the B-shares shall carry any votes.

No distribution of dividends shall be made to the B1-, B2-, B3-, B4, B-5 or B6-shareholders before A-shares have received payment in full, ie. have received re-payment of the capital invested.

The company performed a share split of 1/10 as per 17th December 2021. From where the nominal value of the A-, B1-, B2- and B3-shares changed from DKK 0.01 to DKK 0.001.

NOTE 20 SHARE CAPITAL (CONTINUED)

IN THOUSANDS DKK	2022		2021	
	NUMBER OF SHARES ('000)	NOMINAL VALUE	NUMBER OF SHARES ('000)	NOMINAL VALUE
The share capital comprise:				
Ordinary shares (fully paid)	18,425,027	0.001	17,635,238	0.001

IN NUMBER OF SHARES IN EACH CLASS

CLASS	A	B1	B2	B3	B4	B5	B6	TOTAL
Changes in share capital 2022								
Opening balance	17,156,531	363,408	48,916	66,383	0	0	0	17,635,238
Capital increase at 03.05.2022	0	0	0	0	404,251	0	0	404,251
Capital increase at 11.05.2022	142,191	0	0	0	0	69,479	0	211,670
Capital increase at 12.08.2022	124,734	0	0	0	0	0	49,134	173,868
Total	17,423,456	363,408	48,916	66,383	404,251	69,479	49,134	18,425,027

Changes in share capital 2021

Opening balance	564,662	36,341	4,892	0	0	0	0	605,895
Loan conversion	283,900	0	0	0	0	0	0	283,900
Capital increase at 29.10.2021	2,798	0	0	0	0	0	0	2,798
Capital increase at 23.11.2021	15,803	0	0	6,638	0	0	0	22,441
Share split at 17.12.2021	7,772,072	327,067	44,024	59,745	0	0	0	8,202,908
Capital increase at 17.12.2021	8,517,296	0	0	0	0	0	0	8,517,296
Total	17,156,531	363,408	48,916	66,383	0	0	0	17,635,238

DKK PER SHARE

	2022	2021
Total dividend paid out for the year	0	0
Total dividend proposed for the year	0	0

ACCOUNTING POLICY

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deductions, net of tax, from the proceeds.

Share premium

Premium on issue of shares are recognised as share premium.

Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

NOTE 21 TREASURY SHARES

NAME	SHARE CLASS	NUMBER OF SHARES ('000)	NOMINAL VALUE IN THOUSANDS DKK	ACQUISITION COST IN THOUSANDS DKK
Changes in treasury shares:				
Purchase of shares at 15.02.2021	A	89	1	480
Purchase of shares at 15.02.2021	B1	74	1	2
Purchase of shares at 15.02.2021	A	222	2	119
Purchase of shares at 15.02.2021	B1	224	2	6
Purchase of shares at 18.02.2021	A	623	6	470
Purchase of shares at 18.02.2021	B2	795	8	30
Purchase of shares at 30.08.2021	A	1,453	15	545
Purchase of shares at 05.11.2021	A	4,961	50	2,701
Purchase of shares at 05.11.2021	B1	1,306	13	35
Purchase of shares at 05.11.2021	B2	189	2	7
Purchase of shares at 08.11.2021	A	9	0	5
Sale of shares at 03.09.2021	A	-3,272	-33	-3,157
Sale of shares at 01.11.2021	A	-623	-6	-470
Sale of shares at 01.11.2021	B2	-795	-8	-30
Share split at 17.12.2021	A	213,691	-	-
Share split at 17.12.2021	B1	30,222	-	-
Share split at 17.12.2021	B2	5,961	-	-
Purchase of shares at 17.12.2021	A	6,812	7	208
Purchase of shares at 17.12.2021	B1	2,238	2	8
Treasury shares at 31.12.2021	A	244,247	244	15,437
Treasury shares at 31.12.2021	B1	35,818	36	183
Treasury shares at 31.12.2021	B2	6,623	7	23
Total treasury shares at 31.12.2021		286,688	287	15,643

NOTE 21 TREASURY SHARES (CONTINUED)

NAME	SHARE CLASS	NUMBER OF SHARES ('000)	NOMINAL VALUE IN THOUSANDS DKK	ACQUISITION COST IN THOUSANDS DKK
Changes in treasury shares:				
Purchase of shares at 14.10.2022	A	21,728	2,173	1,612
Purchase of shares at 01.12.2022	A	7,666	767	310
Purchase of shares at 01.12.2022	B3	746	75	2
Purchase of shares at 06.12.2022	A	3,484	348	323
Purchase of shares at 06.12.2022	B5	394	39	2
Purchase of shares at 16.12.2022	A	1,120	112	111
Purchase of shares at 16.12.2022	B5	463	46	2
Purchase of shares at 16.12.2022	B6	97	10	1
Treasury shares at 31.12.2022	A	274,901	3,311	17,532
Treasury shares at 31.12.2022	B1	35,818	36	181
Treasury shares at 31.12.2022	B2	6,623	7	25
Treasury shares at 31.12.2022	B3	746	75	2
Treasury shares at 31.12.2022	B5	857	85	4
Treasury shares at 31.12.2022	B6	97	10	1
Total treasury shares at 31.12.2022		319,042	3,524	17,745

Treasury shares are held for sales to employees under the Groups share programme. The shares are valued each year in accordance with the group's share programme

The company's treasury shares amount to 1.7 % of the nominal value of the share capital.

ACCOUNTING POLICY

Treasury share reserve

The reserve comprises the nominal value of treasury shares. The difference between the market price paid and the nominal value

plus dividends on treasury shares is recognised directly as retained earnings in equity

NOTE 22 SHARE-BASED PAYMENTS

In 2018 an investment and incentive programme was introduced under which employees, management, board members of the group and consultants assigned by group may subscribe for shares in REKOM ManCo ApS in class A-shares, B1-shares, B2-shares, B3-shares, B4-shares, B5-shares and B6-shares for a consideration. The subscription amounts are used by REKOM ManCo ApS to subscribe for shares in similar share classes in Rekom Group Holding ApS. Information about the rights and preferences of each share class is provided in note 20 share capital. Employees may elect not to participate in the arrangement.

The employee's investment in shares is intended to give the employee the opportunity to gain a share in the profits that the group may achieve in connection with a direct or indirect divestment etc. of REKOM. The employees are not able to dispose freely of the subscribed shares until the occurrence of an exit event.

The shares are redeemable at the group's option in a leaver scenario. However, the group is not considered to have a present obligation to settle the shares in cash, and as such, the arrangement is classified as an equity-settled share-based payment transaction.

The shares are acquired by the employees at fair market value. The employees have not been afforded any discounts nor any abnormal privileges by acquiring the shares.

Consequently, the fair value of the arrangement is considered to be zero and no expense is recognized in the consolidated financial statements.

The number of shares issued and reacquired under the arrangement to participating employees is highlighted below:

IN THOUSANDS	A-SHARES (‘000)	B1-SHARES (‘000)	B2-SHARES (‘000)	B3-SHARES (‘000)	B4-SHARES (‘000)	B5-SHARES (‘000)	B6-SHARES (‘000)
Outstanding at. 01.01.2021	60,509	34,587	4,419	0	0	0	0
Shares acquired	48,531	0	795	6,638	0	0	0
Shares reacquired	-5,903	-1,604	-984	0	0	0	0
Share split	928,231	296,845	38,063	59,745	0	0	0
Shares acquired	1,490,421	0	0	0	0	0	0
Shares reacquired	-6,812	-2,238	0	0	0	0	0
Outstanding at. 01.01.2022	2,514,977	327,590	42,293	66,383	0	0	0
Shares acquired	270,269	0	0	0	404,251	69,478	49,134
Shares reacquired	23,799	0	0	-746	0	-857	-97
Outstanding at 31.12.2022	2,761,447	327,590	42,293	65,637	404,251	68,621	49,037

NOTE 23 CAPITAL MANAGEMENT

The Group's capital is made up of share capital and retained earnings.

The objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders; and
- to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. It is currently not the strategy to pay out dividend but instead consolidate and use available cash for growth and to reduce external debt.

The Group ensures that it has sufficient cash on demand to meet its expected operational expenses, including the servicing of any financial obligations. This excludes the potential impact of extreme circumstances which cannot be reasonably predicted.

The capital structure of the Group consists of shareholders' equity as set out in the consolidated statement of changes in equity. All working capital requirements are financed from existing cash resources, credit facilities and borrowings.

There are no externally imposed capital requirements. Financing decisions are made by the Board based on forecasts of the expected timing and level of capital and operating expenditure required to meet the Group's commitments and development plans. When monitoring capital risk, the Group considers its gearing ratio.

ACCOUNTING POLICY

Share-based compensation benefits are provided to employees via the investment and incentive programme for which the employees subscribe for shares in several share classes for consideration. The arrangement is classified as an equity-settled share-based payment program, for which the cost is recognized as an employee benefit expense, with a corresponding increase in equity. The total

amount to be expensed is determined by reference to the fair value of the shares subscribed for and is recognised in the income statement over the service period. If the shares are acquired at an amount equal to the fair value of the shares, no expense is recognized.

NOTE 24 CONTINGENT LIABILITIES, COMMITMENTS AND CONTINGENCIES

Contingent liabilities

The group had contingent liabilities at year end in respect of:

IN THOUSANDS DKK	2022	2021
Land and buildings with a booked value of	1,514	1,502
The following assets have been placed as security with bankers:		
Securities on moveables	127,100	127,100
Securities in property, by-laws and owners' association	1,079	1,079
Surety	245,000	370,000
Third parties guarantees	37,768	38,274

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of CC Fly Invest ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The Group has a credit facility agreement with Nordea with a credit limit of DKK 175 million (DKK 300 million at 31 December 2021) of which an overdraft facility amounts to DKK 50 million, a separate cash credit guarantee limit amounts to DKK 125 million (DKK 250 million at 31 December 2021) of which DKK 100 million are backed by Vækstfonden (DKK 200 million at 31 December 2021) and a rent guarantee limit amounts to DKK 70 million (DKK 70 million at 31 December 2021).

Charges and security

The following assets have been placed as security with mortgage credit institutions:

Certain of the Group's subsidiaries have pledged operating equipment and leases including rights for a total of DKK 127 million (DKK 127 million at 31 December 2021). At the same time, certain of the Group's subsidiary shares are pledged in connection with their accession to the credit agreements.

The shares in Rekom Group Holding ApS are pledged in connection with the Group's accession to the credit agreements.

The Group has secured a guarantee against its borrowings at Ares Credit Group. At year end this amounts to DKK 808 million (DKK 797 million at 31 December 2021).

The Group has secured a guarantee against its credit facility at Nordea. At year end this amounts to DKK 0 million (DKK 0 million at 31 December 2021).

The Company has issued a letter of support to all its Danish, Norwegian and Finnish subsidiaries. The Danish entity Viggo's Værtshus ApS has not received a letter of support. The letter of support for the Danish and Finnish subsidiaries remains in force until 1 July 2024. For the Norwegian subsidiaries the letter of support remains in force until 1 July 2023.

NOTE 25 BUSINESS COMBINATIONS

REKOM operates with an expansion strategy to fulfill its ambition to become a global player in the nightlife industry. In line with that strategy, the group has made many single-venue acquisitions in 2022. Further, the Group has expanded into the festivals.

The acquisitions made during 2022 were:

ACQUISITIONS IN 2022

ENTITY	ACQUISITION DATE	SHARE CAPITAL ACQUIRED
Musikarrangør ApS (Vi Elsker)	31 March 2022	100%

Acquisition of Vi Elsker

On 31 March 2022, REKOM acquired the shares in the the company Musikarrangør ApS, which operates the series of one-day festivals in Denmark and Norway under the brand Vi Elsker og OO'erne (We Love Heroes).

The acquisition included full acquisition of the shares within Musikarrangør ApS and included as such the standing agreements of one-day festivals with sites, suppliers etc. The acquisition was a step on the way for REKOM in expanding into the segment of events & festivals creating great synergies with REKOM's existing operations.

Other acquisitions

In 2022, REKOM made a series of acquisitions of activities of bars and nightclubs in operation. A total of 17 transactions were performed of stand-alone bars, all being similar in nature and size. Naturally, some acquisitions were performed in the same geographical area to expand REKOM's footprint. All other acquisitions are in line with REKOM's expansion strategy. The acquisitions included among others:

- The activities of 3 venues on the Norwegian town of Kristiansand with a total transaction cost of 6.8 mDKK.
- The activities of 3 venues in the Finnish town of Turku with a total transaction cost of 12.9 mDKK.

The net assets acquired as a result of the acquisitions made in 2022 are as follows:

IN THOUSANDS DKK	VI ELSKER	OTHER ACQUISITIONS	TOTAL
Brands	3,000	0	3,000
Other intangible assets	0	15,747	15,747
Properties	0	0	0
Fixtures, fittings and equipment	0	2,382	2,382
Leasehold improvements	0	7,245	7,245
Right-of-use assets	0	132,528	132,528
Other assets	12,829	319	13,148
Lease liabilities	0	-132,528	-132,528
Other liabilities	-4,978	-2,365	-7,343
Deferred tax liability	-660	0	-660
Net identifiable assets acquired	10,191	23,328	33,519
Add: Goodwill	19,809	14,962	34,771
Net assets acquired	30,000	38,291	68,291

Goodwill arising from Vi Elsker is attributable to the expected synergy benefit between REKOM's existing Event activities, the REKOM platform and the Vi Elsker's brand and operations. Goodwill arising from other acquisitions is attributable to expected strategic and synergy benefits between the acquired activities, the REKOM platform and due to increased footprint within existing markets and expected gains from this. It will not be deductible for tax purposes.

The total purchase price amounted to DKK 68,291 thousands. Details about the consideration are as follows:

IN THOUSANDS DKK	VI ELSKER	OTHER ACQUISITIONS	TOTAL
Cash paid	10,600	24,619	35,219
Deferred consideration	5,000	13,672	18,672
Contingent consideration	14,400	0	14,400
Total purchase consideration	30,000	38,291	68,291

NOTE 25 BUSINESS COMBINATIONS (CONTINUED)

The acquisition includes a contingent consideration according to which REKOM could be required to make an additional cash payment based on an earnings target. The amount payable is based on the amount of realised EBITDA for a period of 12 months after certain operational terms are met. The contingent consideration is capped and thus has a maximum amount payable. The fair value of the contingent consideration amounts to DKK 14,400 thousands calculated as the present value of the future expected cash flows, which has been recognised as a financial liability. If the expected EBITDA increases by 10%, the contingent consideration will increase 10%.

Acquisition-related costs of DKK 2,756 thousands are included in special items in the income statement for 2022.

Effect of acquisitions

The businesses acquired in 2022 contributed revenues of DKK 87,339 thousands and net loss of DKK 11,035 thousands to REKOM from the respective acquisition dates until 31 December 2022. If the acquisitions had occurred on 1 January 2022, consolidated pro-forma revenue and loss for 2022 of REKOM would increase by DKK 54,603 thousands and DKK 9,208 thousands, respectively. These have been calculated using the income generated by the acquired business before the acquisition date and in the same financial year as REKOM.

Acquisition-related costs are included in special items in the income statement for 2022 and relate to the acquisitions as follows:

IN THOUSANDS DKK	VI ELSKER	OTHER ACQUISITIONS	TOTAL
Acquisition-related costs	224	2,532	2,756

REKOM operates with an expansion strategy to fulfill its ambition to become a global player in the nightlife industry. In line with that strategy, the group has made several acquisitions during 2021.

The acquisitions made during 2021 were:

ENTITY	ACQUISITION DATE	SHARE CAPITAL ACQUIRED
LAWO (Norway)	1 March 2021	100%
Inventum group (Norway) - Smedasundet Servering AS - Smedasundet Drift AS - Kurlturhuset på Kaien AS	1 August 2021	100%
ZG Bierbars, Aalborg ApS	21 October 2021	67%

On 1 March 2021, REKOM acquired the activities of five venues located in Oslo, including LAWO and Stortorvets Gjæstgiveri, whereby REKOM expanded its position in the nightlife scene in Oslo. REKOM's position in Norway was further strengthened with the combined acquisition of three legal entities in the former Inventum group, which operates nine venues in Haugesund.

During the year, REKOM also acquired 67% of the share capital in ZG Bierbars, Aalborg ApS (Zwei Grosse). With the acquisition followed six venues in Jutland under the Zwei Grosse brand.

NOTE 25 BUSINESS COMBINATIONS (CONTINUED)

The group holds according to the share purchase agreement options to acquire the remaining 33% of the share capital, which all are expected to be exercised.

The net assets acquired as a result of the acquisitions are as follows:

IN THOUSANDS DKK	TOTAL
Brands	3,593
Other intangible assets	15,798
Fixtures, fittings and equipment	3,034
Leasehold improvements	9,687
Right-of-use assets	44,593
Other assets	22,457
Lease liabilities	-44,445
Other liabilities	-25,119
Deferred tax liability	-3,847
Net identifiable assets acquired	25,751
Less: Non-controlling interests	-5,055
Add: Goodwill	68,254
Net assets acquired	88,771

Goodwill arising from the acquisitions are attributable to expected strategic and synergy benefits, due to increased footprint within existing markets, establishment into new market areas and expected gains from this. It will not be deductible for tax purposes.

REKOM has chosen to recognise the non-controlling interest ZG Bierbars, Aalborg ApS at fair value. At the acquisition date the fair value of the non-controlling interest amounted to DKK 5,055 thousands. The fair value of the non-controlling interest is assessed to correspond to the relative fair value of the shares acquired.

The total purchase price amounted to DKK 88,771 thousands. Details about the consideration are as follows:

IN THOUSANDS DKK	
Cash paid	47,876
Deferred consideration	36,776
Contingent consideration	4,119
Total purchase consideration	88,771

The acquisition includes a contingent consideration according to which REKOM could be required to make an additional cash payment based on an earnings target. The amount payable is based on the amount of realised EBITDA for a period of 12 months after certain operational terms are met. There is no upper limit to the maximum amount payable. The fair value of the contingent consideration amounts to DKK 4,119 thousands calculated as the present value of the future expected cash flows, which has been recognised as a financial liability. If the expected EBITDA increases by 10%, the contingent consideration will increase 10%.

In December 2021, the operational terms of the contingent consideration were met. As such the contingent consideration expires in December 2022. At 31 December 2021, the fair value of the contingent consideration has been reduced to DKK 4,119 thousands.

Acquisition-related costs of DKK 1,760 thousands are included in special items in the income statement for 2021.

Effect of acquisitions

The businesses acquired in 2021 contributed revenues of DKK 50,747 thousands and net profit of DKK 504 thousands to REKOM from the respective acquisition dates until 31 December 2021. If the acquisitions had occurred on 1 January 2021, consolidated pro-forma revenue and profit for 2021 of REKOM would increase by DKK 23,041 thousands and DKK -4,728 thousands, respectively. These have been calculated using the income generated by the acquired business before the acquisition date and in the same financial year as REKOM.

NOTE 25 BUSINESS COMBINATIONS (CONTINUED)

ACCOUNTING POLICY

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and

- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date.

Any gains or losses arising from such remeasurement are recognised in profit or loss.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

In applying the acquisition method of accounting, estimates are an integral part of assessing fair values of several identifiable assets acquired and liabilities assumed, as observable market prices are typically not available.

Valuation techniques where estimates are applied typically relate to determining the present value of future uncertain cash flows or assessing other events in which the outcome is uncertain at the date of acquisition.

More significant estimates are typically applied in accounting for property, plant and equipment, customer relationships, trade receivables, deferred tax, debt and contingent liabilities. As a result of the uncertainties inherent in fair value estimation, measurement period adjustments may be applied.

NOTE 26 RELATED PARTY TRANSACTIONS

The group has transactions with the following related parties:

NAME OF ENTITY	TYPE	PLACE OF BUSINESS
CataCap II K/S	Ultimate parent company	Copenhagen
CC Fly Invest ApS	Principal shareholder	Copenhagen
Moker Ejendomme ApS	Related party	Copenhagen
Voluntas Advisory ApS	Related party	Copenhagen
Lady Invest ApS	Related Party	Hellerup

Related parties with significant influence consist of the Group's Board of Directors and Executive Management plus close relatives of these persons. Related parties also include companies over which these persons exert considerable influence.

All transactions were carried out on terms equivalent to arm's length principles.

Information about remuneration to key management personnel has been disclosed in note 5. Interests in subsidiaries are set out in note 27.

Transactions during the year comprises of share purchases, joint taxation transactions, intercompany interests, consultancy services and rent payments.

NOTE 27 FEE TO AUDITORS APPOINTED AT THE GENERAL MEETING

IN THOUSANDS DKK	2022	2021
PricewaterhouseCoopers		
Audit fee	6,431	5,402
Other assurance services	483	396
Tax advisory service	0	112
Other services	1,822	1,913
	8,736	7,822

NOTE 28 INTERESTS IN OTHER ENTITIES

The group's principal subsidiaries at year end are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group.

The country of incorporation or registration is also their principal place of business.

* The Group holds control through voting rights.

NAME OF ENTITY	PLACE OF BUSINESS	OWNERSHIP INTERESTS HELD BY THE GROUP	
		2022	2021
CC Fly Holding II A/S	Denmark	100%	100%
Rekom Group A/S	Denmark	100%	100%
Aloha Beach Bar ApS	Denmark	100%	100%
ANDYS BAR ApS	Denmark	100%	100%
Aya ApS	Denmark	100%	100%
Bar 7 ApS	Denmark	100%	100%
BFP AF 1.9.1997. KØBENHAVN ApS	Denmark	100%	100%
BFP AALBORG ApS	Denmark	100%	100%
Skaal Sønderborg ApS	Denmark	100%	100%
Bæst Bar ApS	Denmark	100%	100%
CAFÉ DA VINCI ApS	Denmark	100%	100%
CC New Mist Holding II ApS	Denmark	100%	100%
CC Stim UK Topco Limited	United Kingdom	100%	100%
- CC Stim UK Holdco Limited	United Kingdom	100%	100%
- CC Stim UK Tradeco 1 Limited	United Kingdom	100%	100%
- CC Stim UK Tradeco 2 Limited	United Kingdom	100%	100%
- CC Stim UK Tradeco 3 Limited	United Kingdom	100%	100%
- CC Stim UK Tradeco 4 Limited	United Kingdom	100%	100%
- CC Stim UK Tradeco 5 Limited	United Kingdom	100%	100%
- CC Stim UK Tradeco 6 Limited	United Kingdom	100%	100%
- CC Stim UK Tradeco 8 Limited	United Kingdom	100%	100%
- CC Stim UK Tradeco 9 Limited	United Kingdom	100%	100%
- Rekom Cardiff Limited	United Kingdom	100%	100%
- Rekom Colchester Limited	United Kingdom	100%	100%
- Rekom Ipswich Limited	United Kingdom	100%	100%
- Switch Operating Limited	United Kingdom	100%	20%
- Switch South Limited	United Kingdom	100%	20%
Charlottenlund Venues ApS	Denmark	100%	100%
CUCARACHA BAR ApS	Denmark	100%	100%
Dandy Cph. ApS	Denmark	100%	100%
DEN GLADE GRIS ApS	Denmark	100%	100%
Dorsia ApS	Denmark	100%	100%
El Dorado Bar ApS	Denmark	100%	100%
Farfars ApS	Denmark	100%	100%
GULDHORNENE KBH. ApS	Denmark	55%	55%
GULDHORNENE AALBORG ApS	Denmark	100%	100%

NOTE 28 INTERESTS IN OTHER ENTITIES (CONTINUED)

NAME OF ENTITY	PLACE OF BUSINESS	OWNERSHIP INTERESTS HELD BY THE GROUP	
		2022	2021
GULDHORNENE, ÅRHUS ApS	Denmark	100%	100%
H-BAR ÅRHUS ApS	Denmark	100%	100%
HEIDIS BIER BAR ODENSE ApS	Denmark	100%	100%
Heidis Bier Bar Sønderborg ApS	Denmark	100%	100%
HEIDIS BIER BAR THISTED ApS	Denmark	100%	100%
Heidi's Bier Bar Vejle ApS	Denmark	100%	100%
HEIDIS BIER BAR AALBORG ApS	Denmark	100%	100%
HEIDIS BIER BAR ÅRHUS ApS	Denmark	100%	100%
HEIDI'S BIER-BAR ApS	Denmark	100%	100%
HEIDI'S BIER-BAR SVENDBORG ApS	Denmark	100%	100%
HIVE ApS	Denmark	100%	100%
HORNSLETH BAR ApS	Denmark	100%	100%
KBH Invest III ApS	Denmark	100%	100%
L.A. TEQUILA BAR ODENSE ApS	Denmark	100%	100%
LA BAR, KØBENHAVN ApS	Denmark	100%	100%
La Boucherie ApS	Denmark	100%	100%
LA Tequila Bar Aarhus ApS	Denmark	100%	100%
Little Green Door ApS	Denmark	100%	100%
London Bar ApS	Denmark	100%	100%
Loulou Århus ApS	Denmark	75%	75%
Musen & Elefanten ApS	Denmark	100%	100%
MusikArrangør ApS	Denmark	100%	0%
- Vi Ålskar AB	Sweden	50%	0%
Nbar ApS	Denmark	100%	100%
NightPay ApS	Denmark	100%	100%
NightPay Int. ApS	Denmark	100%	100%
No Stress Bar DK ApS*	Denmark	50%	50%
Proud Mary ApS	Denmark	100%	100%
Rabalder Bar ApS	Denmark	100%	100%
Rekom & Jyrgen Dampmøllen ApS	Denmark	100%	100%
Rekom Drift 1 ApS	Denmark	100%	100%
Rekom Drift 5 ApS	Denmark	100%	100%
Rekom Drift 6 ApS	Denmark	100%	100%
Rekom Event ApS	Denmark	100%	100%
Rekom Global Brands ApS	Denmark	100%	100%
- Mundo Tequila ApS	Denmark	100%	100%
- TOTDY ApS	Denmark	70%	70%
- I AM Drinks ApS	Denmark	32%	32%
Rekom R&D ApS	Denmark	100%	100%
Rhino Bar ApS	Denmark	100%	100%
Simpelt V ApS	Denmark	100%	100%
Sjus Bar ApS	Denmark	100%	100%

NOTE 28 INTERESTS IN OTHER ENTITIES (CONTINUED)

NAME OF ENTITY	PLACE OF BUSINESS	OWNERSHIP INTERESTS HELD BY THE GROUP	
		2022	2021
Skaal ApS	Denmark	100%	100%
Stereo Bar ApS	Denmark	100%	100%
Stereo Bar Vestergade ApS	Denmark	100%	100%
The Australian Bar Aarhus ApS	Denmark	100%	100%
The Australian Bar København ApS	Denmark	100%	100%
The Australian Bar Odense ApS	Denmark	100%	100%
The Drunken Flamingo ApS	Denmark	100%	100%
TOTDY Cph. ApS	Denmark	100%	100%
Tyroliabier Klub ApS	Denmark	100%	100%
Tørst Bar ApS	Denmark	100%	100%
Rekom Aalborg ApS	Denmark	100%	100%
- Andys/Sprutten ApS	Denmark	100%	100%
- Den Nordjyske Ambassade ApS	Denmark	100%	100%
- Fabrikken, Aalborg ApS	Denmark	100%	100%
- FFB Invest Aalborg ApS	Denmark	100%	100%
- Giraffen ApS	Denmark	100%	100%
- La BAR/ Tyren ApS	Denmark	100%	100%
- Mexi BAR ApS	Denmark	100%	100%
- Rabalder Bar Kolding ApS	Denmark	100%	100%
- The Drunken Flamingo, Aalborg ApS	Denmark	100%	100%
- Viggo's Værtshus ApS	Denmark	100%	100%
Rekom DK Invest ApS	Denmark	100%	100%
- Butchers, Silkeborg ApS	Denmark	100%	100%
- CRAZY DAISY, NÆSTVED ApS	Denmark	100%	100%
- Dansebar & Einstein Herning ApS	Denmark	100%	100%
- Dansebar, Roskilde ApS	Denmark	100%	100%
- ESKE'S ApS	Denmark	100%	100%
- James Bond- 007 ApS	Denmark	100%	100%
- Kompagnibar ApS	Denmark	100%	100%
- Lola Club Frederikshavn ApS	Denmark	100%	100%
- Lola Sønderborg ApS	Denmark	100%	100%
- Mørk's Kælder ApS	Denmark	100%	100%
- PIONER BAR TØNDER ApS	Denmark	100%	100%
- PIONER BAR ESBJERG ApS	Denmark	100%	100%
- PIONER BAR VARDE ApS	Denmark	100%	100%
- Rabalder Bar Silkeborg ApS	Denmark	100%	100%
- Rustik - BAR og Natklub ApS	Denmark	100%	100%
- Temabar ApS	Denmark	100%	100%
- Temabar Viborg ApS	Denmark	100%	100%
Zwei Grosse Bierbars, Aalborg ApS	Denmark	83%	67%
- Zwei Grosse Danmark ApS	Denmark	83%	67%
- Saltlageret ApS	Denmark	83%	67%

NOTE 28 INTERESTS IN OTHER ENTITIES (CONTINUED)

NAME OF ENTITY	PLACE OF BUSINESS	OWNERSHIP INTERESTS HELD BY THE GROUP	
		2022	2021
- ZGBB, Viborg ApS	Denmark	83%	67%
- Zwei Grosse Bier Bar Horsens ApS	Denmark	83%	67%
- Zwei Grosse Bier Bar Vejle ApS	Denmark	83%	67%
- Zwei Grosse Bier Bar, Aalborg ApS	Denmark	83%	67%
- Zwei Grosse, Kolding ApS	Denmark	83%	67%
Rekom Group Norge AS	Norway	100%	100%
- Rekom Norge AS	Norway	100%	100%
- Alibi Frederikstad AS	Norway	100%	100%
- Beverly AS	Norway	100%	100%
- Brukbar Bergen AS	Norway	100%	100%
- Cafe Sting AS	Norway	100%	100%
- Dorsia Oslo AS	Norway	100%	100%
- Engene 12 Drammen AS	Norway	100%	100%
- Fridtjof Oslo AS	Norway	100%	0%
- HBB Bergen AS	Norway	100%	100%
- HBB Kristiansand AS	Norway	100%	100%
- HBB Stavanger AS	Norway	100%	100%
- HBB Trondheim AS	Norway	100%	100%
- HBB Tønsberg AS	Norway	100%	100%
- Heidis Bier BAR Oslo AS	Norway	100%	100%
- Heidis Bier BAR Drammen AS	Norway	100%	100%
- Hygge AS	Norway	100%	100%
- ISM Oslo AS	Norway	100%	100%
- Jennys AS*	Norway	50%	50%
- Johns Bar AS	Norway	100%	100%
- KJ10 Rekom AS	Norway	100%	100%
- Kulturhuset på Kaien AS	Norway	100%	100%
- La Belle Drift AS	Norway	100%	100%
- Loulou Bergen AS	Norway	100%	100%
- LouLou Stavanger AS	Norway	100%	100%
- Nightpay Norge AS	Norway	100%	100%
- Proud Mary Stavanger AS	Norway	100%	100%
- Rabalder Bar Oslo AS	Norway	100%	100%
- Rabalder Bar Stavanger AS	Norway	100%	100%
- Rekom Drift Kristiansand AS	Norway	100%	0%
- Rekom Norge Drift 15 AS	Norway	100%	100%
- Rekom Norge Drift 18 AS	Norway	100%	0%
- Rekom Norge Drift 22 AS	Norway	100%	0%
- Rekom Norge Drift 23 AS	Norway	100%	0%
- Rekom Norge Drift 24 AS	Norway	100%	0%
- Rekom Norge Drift 25 AS	Norway	100%	0%
- Rekom R&D NUF (Norwegian affiliate)	Norway	100%	100%

NOTE 28 INTERESTS IN OTHER ENTITIES (CONTINUED)

NAME OF ENTITY	PLACE OF BUSINESS	OWNERSHIP INTERESTS HELD BY THE GROUP	
		2022	2021
- Rekom RD Norge AS	Norway	100%	0%
- Rekom Tromsø AS	Norway	100%	100%
- Skjenken BAR og Bakgård AS	Norway	100%	100%
- Smedasundet Servering AS	Norway	100%	100%
- Stavanger Sportscafe AS	Norway	100%	100%
- Store Høvding AS	Norway	100%	100%
- Stortorvets Gjestgiveri AS	Norway	100%	100%
- Winehouse Haugesund AS	Norway	100%	100%
Restaurationskompagniet Finland OY	Finland	100%	100%

NOTE 29 SUBSEQUENT EVENTS

No subsequent events have occurred after the balance sheet date that required adjustment to or disclosure in the consolidated financial statements.

Management's Statement

The Board of Directors and Executive Board have today considered and adopted the Annual Report of Rekom Group Holding ApS for the financial year 1 January - 31 December 2022.

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Group and the Parent Company and of the results of the Group and Parent Company operations and cash flows for 2022.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

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

Copenhagen, 23 February 2023

EXECUTIVE BOARD

ADAM NEDERBY FALBERT

BOARD OF DIRECTORS

CLAUS JUEL JENSEN
CHAIRMAN

VILHELM EIGIL HAHN-PETERSEN

SOPHIE LOUISE KNAUER

RASMUS PHILIP BUHL LOKVIG

ADAM NEDERBY FALBERT

MORTEN NØDGAARD ALBÆK

Independent Auditor's Report

TO THE SHAREHOLDERS OF REKOM GROUP HOLDING APS

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2022 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2022 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2022 and of the results of the Parent Company's operations for the financial year 1 January to 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Rekom Group Holding ApS for the financial year 1 January - 31 December 2022, 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 statement of comprehensive income and cash flow statement for the Group ("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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 mis-stated.

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 Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance 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 judgment and maintain professional skepticism throughout the audit. We also:

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

the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the 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.

Hellerup, 23 February 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jacob F. Christiansen

State Authorised
Public Accountant
mne18628

Kristian Højgaard Carlsen

State Authorised
Public Accountant
mne44112

Definition of key figures and financial ratios

Key figures and ratios are disclosed in accordance with Recommendations & Ratios published by the Danish Finance Society, except for financial ratios marked with (*) as well as adjusted figures as these are either derived or not included in the Recommendations.

KEY FIGURES

Net working capital	=	Receivables and other current operating assets less trade payables and other payables and other current operating liabilities
Net interest-bearing debt	=	Interest-bearing debt including borrowings, lease liabilities and other interest-bearing payables less cash and cash equivalents
Adjusted net interest-bearing debt	=	Net interest-bearing debt less lease liabilities
Invested capital	=	Net working capital + property, plant and equipment, right-of-use assets and intangible assets including goodwill
Net financial expenses	=	Financial income less financial expenses
Adjusted free cash flow	=	Adjusted free cash flow comprises of free cash flow adjusted for payments for acquisition of subsidiaries and activities, lease liability repayments, interests paid on lease liabilities and special items.

FINANCIAL RATIOS

Gross margin	=	$\frac{\text{Revenue} - \text{cost of goods sold} * 100}{\text{Revenue}}$
EBTDA margin	=	$\frac{\text{Operating profit before amortisation, depreciation and special items} * 100}{\text{Revenue}}$
Return on equity (ROE)	=	$\frac{\text{Profit for the year}}{\text{Average equity}}$
Return on invested capital (ROIC)	=	$\frac{\text{Operating profit before interest and tax (EBIT) less special items} * 100}{\text{Average invested capital}}$
Return on assets (ROA)	=	$\frac{\text{Profit for the year}}{\text{Average total assets}}$
Solvency ratio	=	$\frac{\text{Equity less non-controlling interests including vendor loans}}{\text{Balance sheet total}}$
Solvency ratio excl. IFRS 16	=	$\frac{\text{Equity less non-controlling interests including vendor loans}}{\text{Balance sheet total less lease liabilities}}$
Gearing ratio*	=	$\frac{\text{Net interest-bearing debt}}{\text{Operating profit before amortisation, depreciation and special items}}$
Gearing ration excl. IFRS 16*	=	$\frac{\text{Net interest-bearing debt less lease liabilities}}{\text{Operating profit before amortisation, depreciation and special items}}$

Parent Financial Statements

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PROFIT AND LOSS 1 JANUARY - 31 DECEMBER

IN THOUSANDS DKK	NOTES	2022	2021
General and administrative expenses		-51	22
Operating profit		-51	22
Finance income		4,956	9,537
Finance costs	5	-11,383	-16,042
Loss before tax		-6,478	-6,483
Income tax expenses	6	-278	80
Loss for the year		-6,756	-6,403

STATEMENT OF COMPREHENSIVE INCOME

IN THOUSANDS DKK	NOTES	2022	2021
Loss for the year		-6,756	-6,403
Other comprehensive income for the period, net of tax		0	0
Total comprehensive income for the period		-6,756	-6,403

BALANCE SHEET 31 DECEMBER

IN THOUSANDS DKK	NOTES	2022	2021
Investment in subsidiaries	7	651,642	651,642
Deferred tax asset		1,316	2,517
Total non-current assets		652,958	654,159
Intercompany		67,368	55,261
Other receivables		0	1
Cash and cash equivalents		36	10,176
Total current assets		67,404	65,438
Total assets		720,362	719,597

BALANCE SHEET 31 DECEMBER

IN THOUSANDS DKK	NOTES	2022	2021
Share capital	8	18,425	17,635
Share premium		562,101	530,684
Reserve for treasury shares		-17,745	-16,075
Retained earnings		-29,340	-22,152
Total equity		533,441	510,092
Vendor loan		186,569	209,187
Total non-current liabilities		186,569	209,187
Current income tax liabilities		278	0
Intercompany		0	74
Other payables		74	244
Total current liabilities		352	318
Total liabilities		186,921	209,505
Total equity and liabilities		720,362	719,597

STATEMENT OF CHANGES IN EQUITY

IN THOUSANDS DKK	SHARE CAPITAL	SHARE PREMIUM	RESERVE FOR TREASURY SHARES	RETAINED EARNINGS	TOTAL
Equity at 01.01.2022	17,635	530,684	-16,075	-22,152	510,092
Loss for the period	0	0	0	-6,756	-6,756
Other comprehensive income	0	0	0	0	0
Total comprehensive income for the period	0	0	0	-6,756	-6,756
Conversion of loans	0	0	0	0	0
Capital increase	790	31,417	0	0	32,207
Purchase of treasury shares	0	0	1,125	-432	693
Sale of treasury shares	0	0	-2,795	0	-2,795
Transactions with owners in their capacity as owners	790	31,417	-1,670	-432	30,105
Equity at 31.12.2022	18,425	562,101	-17,745	-29,340	533,441

CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER

IN THOUSANDS DKK	NOTES	2022	2021
Cash flows from operating activities			
Operation profit for the year		-51	22
Change in net working capital	13	-212	3,897
Cash flows from operating activities before special items, financials and tax		-262	3,919
Interest income received		4,956	4,381
Interest expense paid		-11,384	-11,394
Income taxes paid/received		0	0
Cash flow from operating activities (CFFO)		-6,690	-3,094
Cash flows from investing activities			
Capital injection in subsidiary		0	-134,468
Cash flow from investing activities (CFFI)		0	-134,468
Free cash flow (FCF)		-6,690	-137,562
Cash flows from financing activities			
Cash received from merger		0	1,444
Repayment of borrowings		-33,430	0
Proceeds from borrowings		10,107	30,500
Proceeds from group enterprises		0	18,631
Repayment of group enterprises		-10,467	0
Equity shareholder increase		32,207	78,400
Purchase of own shares		-1,670	-957
Other adjustments		-197	0
Cash flow from financing activities (CFFF)		-3,450	128,018
Changes in cash and cash equivalents		-10,140	-9,544
Cash and cash equivalents at the beginning of the financial year		10,176	19,720
Cash and cash equivalents, end of the year		36	10,176

Notes to the Parent Financial Statements

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Rekom Group Holding ApS was founded on 12 March 2018. The Financial Statements for the company, Rekom Group Holding ApS have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union as well as additional Danish disclosure requirements applying to entities of reporting class B.

The functional currency of the Company is DKK.

General information on recognition and measurement

The Financial Statements have been prepared under the historical cost method.

New standards

The IASB has issued a number of new or amended standards and interpretations effective for financial years beginning on or after 1 January 2022.

There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the company.

FOREIGN CURRENCY TRANSLATION

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs.

General and administrative expenses

General and administrative expenses include expenses relating to the Company's ordinary activities.

Finance income

Finance income comprise interest income, including receivables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Finance expenses

Finance expenses comprise interest expenses, including payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income tax and deferred tax

The company is jointly taxed with the parent company CC Fly Invest ApS and the Danish subsidiaries. The Danish income tax payable is allocated between the jointly taxed Danish companies based on their proportion of taxable income (full absorption including reimbursement of tax deficits). The jointly taxed companies are taxed under the Danish Tax Payment Scheme. Additions, deductions and allowances are recognised under financial income or financial costs.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Impairment tests are performed on subsidiaries if events or changes in circumstances indicate that their carrying amount may not be recoverable. If cost exceeds the recoverable amount measured as value-in-use, the carrying amount is written down to the recoverable amount.

Receivables

Receivables are initially recognised at fair value adjusted for any transaction costs. Subsequently, receivables are measured at amortised cost, which usually corresponds to the nominal value. Write-down is made to net realisable value to provide for expected losses.

EQUITY

Dividend distribution

Dividends are recognised as a liability at the time of adoption at the general meeting.

Share Premium

Share Premium relate to capital increases and decreases.

Treasury share reverse

The reserve comprises the nominal value of treasury shares. The difference between the market price paid and the nominal value plus dividends on treasury shares is recognised directly as retained earnings in equity

Vendor loan and other payables

Vendor loan consists of convertible debt notes measured at amortized cost. Other debt or liabilities covering trade creditors and other debt are recognised at amortized cost, which usually corresponds to the nominal value.

Statement of cash flow

The cash flow statement shows the cash flows during the year distributed on operating, investing and financing activities, changes in cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are calculated using the indirect method and comprise profit for the year adjusted for non-cash items, changes in working capital, interest paid and received etc., and payments of corporate tax.

Cash flows from investing activities comprise payments in connection with acquisitions and divestment of businesses and purchase and sale of enterprises, activities and fixed asset investments as well as purchase, development, improvement, sale and short term bank debt.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand and bank deposits.

NOTE 2 GOING CONCERN

REKOM delivered strong results in 2022 and had a record high revenue and EBITDA in 2022. All markets showed strong growth compared to 2021.

REKOM UK has a strong financial position at year end. In beginning of 2023 management secured DKK 175M in new external financing. Some was used to pay existing debt facilities and the rest is planned to fund further growth in UK. The risk of liquidity shortage in Rekom UK is considered low. The new financing facility has certain restrictions and covenants attached but Management is confident that Rekom UK will comply with all restrictions and covenants in the loan agreement.

Rekom Nordic has also a reasonable financial position at year end. Expectations for 2023 are positive and the overall risk for Rekom Nordics breaching its' bank covenants are low. Management has secured additional funding of DKK 40M (Vendor Loan) in February 2023 from shareholders. Management has faith in REKOM NORDICS performing

according to the Board approved budget for 2023, but has also prepared contingency plans in case of negative budget deviation. In all scenarios, Management is confident that Rekom Nordics will comply with covenants in loan agreements.

The finance agreement of REKOM NORDICS has covenants that are sensitive to and depending on REKOM NORDICS performance on EBITDA and liquidity. In the management prepared scenarios there are assumptions on expectations to revenue, consumer behavior, costs, rents, wages and capex etc. Management does not expect any COVID-19 related restrictions during 2023.

Management assesses therefore that REKOM have sufficient liquidity and capital resources to continue their operations throughout 2023. Management therefore submits the annual report for 2022 on the assessment of going concern.

NOTE 3 SUBSEQUENT EVENTS

No subsequent events have occurred after the balance sheet date that required adjustment to or disclosure in the consolidated financial statements

NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The judgements, estimates and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgments, estimates and assumptions for the individual items are described below.

The company is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

Impairment test of investments in subsidiaries

The Company tests, if there are indicators of impairment, whether investments in subsidiaries has suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units will be determined based on value-in-use calculations. These calculations require the use of estimates.

Investments in subsidiaries amounts to DKK 652 million and no impairment losses has been recognised in 2022.

Key assumptions used for impairment test of investments in subsidiaries

The carrying amount of the investments in subsidiaries is tested for impairment.

Investments in subsidiaries consist of a single cash-generating unit.

The method applied is the discounted cash flow model, which uses cash flow projections based on financial budgets approved by the board and Management covering a ten-year period. Management has based these projections on historical values of their existing business and expectations to future market and industry development.

A ten-year period has been used in the model as this time period aligns with the strategic time frame used by Management. The business in which the Company operates is not a cyclical business. It is Management's opinion that no significant additional uncertainty arises from the use of a ten-year time period.

A fixed EBIT-margin is used in the model to reflect the nature of the industry in which the Company operates. The industry is non-cyclical and competition in the marketplace is high.

Cash flows during the ten-year period are discounted, and beyond the ten-year period cash flows are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the entertainment industry and similar companies.

The recoverable amount is calculated based on value-in-use. The following key assumptions are applied in the calculation:

Annual sales growth 2%, EBIT-margin - constant at 13.8% (down from 15.6%), pre-tax WACC 7.8% (up from 7.7%) and growth in the terminal period of 2.0% (up from 1%).

A sensitivity analysis of the main assumptions in the impairment test has been carried out to identify the lowest and/or highest discount rate and the lowest growth rate for the investment.

With a sales growth of 2%, EBIT-margin - constant at 15.6%, pre-tax WACC 8.8% and 2.0% growth in the terminal period is the equity value above the booked value of the investment.

Based on the impairment test performed as at 31 December 2022, no impairment is required.

NOTE 5 FINANCIAL EXPENSES

IN THOUSANDS DKK	2022	2021
Interest expenses	11,384	16,042
Total financial expenses	11,384	16,042

NOTE 6 TAX ON PROFIT FOR THE YEAR

IN THOUSANDS DKK	2022	2021
Current tax:		
Adjustment of prior year taxes	0	0
Current tax on profits for the year	278	0
Deferred tax on profit for the year and previous years	0	-80
Income tax expenses for the period	278	-80
Income tax expenses are specified as follows:		
Calculated 22% tax on profit for the year before income tax	-1,425	-1,426
Non deductible expenses incl interest deduction limitations	1,703	1,346
Income tax expense	278	-80
Effective tax rate	4%	1%

NOTE 7 INVESTMENT IN SUBSIDIARIES

IN THOUSANDS DKK	2022	2021
Cost:		
At 01.01.2022	651,642	533,000
Additions during the year	0	188,610
Disposals during the year	0	-69,968
Carrying amount 31.12.2022	651,642	651,642

NAME	PLACE OF REGISTERED OFFICE	VOTE	OWNERSHIP
CC Fly Holding II ApS	Copenhagen	100%	100%

NOTE 8 SHARE CAPITAL

The company's share capital is divided into three classes of shares, A-shares, B1-shares, B2-shares, B3-shares, B4-shares, B5-shares and B6-shares each of a nominal value of DKK 0.001. Each A-share shall carry one vote and none of the B1-, B2-, B3, B4, B5 or B6-shares shall carry any votes.

The company performed a share split of 1/10 as per 17th December 2021. From where the nominal value of the A-, B1-, B2-, B3, B4, B5 or B6-shares changed from DKK 0.01 to DKK 0.001.

No distribution of dividends shall be made to the B1-, B2-, B3, B4, B5 or B6-shareholders before A-shares have received payment in full, ie. have received re-payment of the capital invested.

IN THOUSANDS	2022		2021	
THE SHARE CAPITAL COMPRISE:	NO. OF SHARES ('000)	NOMINAL VALUE PER SHARE	NO. OF SHARES ('000)	NOMINAL VALUE PER SHARE
The share capital comprise:				
Ordinary shares (fully paid)	18,425,027	0.001	17,635,238	0.001

IN NUMBER OF SHARES ('000) IN EACH CLASS	A	B1	B2	B3	B4	B5	B6	TOTAL
Changes in share capital 2022								
Opening balance	17,156,531	363,408	48,916	66,383	0	0	0	17,635,238
Capital increase at 03.05.2022	0	0	0	0	404,251	0	0	404,251
Capital increase at 11.05.2022	142,191	0	0	0	0	69,479	0	211,670
Capital increase at 12.08.2022	124,734	0	0	0	0	0	49,134	173,868
Total	17,423,456	363,408	48,916	66,383	404,251	69,479	49,134	18,425,027

NOTE 9 TREASURY SHARES

Treasury shares are held for sales to employees under the Groups share programme.
The shares are valued each year in accordance with the group's share programme.
The treasury shares are recognized at cost in the financial statements.
The company's treasury shares amount to 1.6 % of the nominal value of the share capital.

NAME	SHARE CLASS	NUMBER OF SHARES ('000)	NOMINAL VALUE IN THOUSANDS DKK	ACQUISITION COST IN THOUSANDS DKK
Changes in treasury shares:				
Purchase of shares at 15.02.2021	A	89	1	480
Purchase of shares at 15.02.2021	B1	74	1	2
Purchase of shares at 15.02.2021	A	222	2	119
Purchase of shares at 15.02.2021	B1	224	2	6
Purchase of shares at 18.02.2021	A	623	6	470
Purchase of shares at 18.02.2021	B2	795	8	30
Purchase of shares at 30.08.2021	A	1,453	15	545
Purchase of shares at 05.11.2021	A	4,961	50	2,701
Purchase of shares at 05.11.2021	B1	1,306	13	35
Purchase of shares at 05.11.2021	B2	189	2	7
Purchase of shares at 08.11.2021	A	9	0	5
Sale of shares at 03.09.2021	A	-3,272	-33	-3,157
Sale of shares at 01.11.2021	A	-623	-6	-470
Sale of shares at 01.11.2021	B2	-795	-8	-30
Share split at 17.12.2021	A	213,691	-	-
Share split at 17.12.2021	B1	30,222	-	-
Share split at 17.12.2021	B2	5,961	-	-
Purchase of shares at 17.12.2021	A	6,812	7	208
Purchase of shares at 17.12.2021	B1	2,238	2	6
Treasury shares at 31.12.2021	A	244,247	244	15,437
Treasury shares at 31.12.2021	B1	35,818	36	183
Treasury shares at 31.12.2021	B2	6,623	7	23
Total treasury shares at 31.12.2021		286,688	287	15,643
Treasury shares at 31.12.2021	B1	35,818	36	181
Sale of shares at 09.02.2022	A	-3,344	-334	-261
Purchase of shares at 14.10.2022	A	21,728	2,173	1,612
Purchase of shares at 01.12.2022	A	7,666	767	310
Purchase of shares at 01.12.2022	B3	746	75	2
Purchase of shares at 06.12.2022	A	3,484	348	323
Purchase of shares at 06.12.2022	B5	394	39	2
Purchase of shares at 16.12.2022	A	1,120	112	111
Purchase of shares at 16.12.2022	B5	463	46	2
Purchase of shares at 16.12.2022	B6	97	10	1

NOTE 9 TREASURY SHARES (CONTINUED)

Treasury shares at 31.12.2022	A	274,901	3,311	17,532
Treasury shares at 31.12.2022	B1	35,818	36	181
Treasury shares at 31.12.2022	B2	6,623	7	25
Treasury shares at 31.12.2022	B3	746	75	2
Treasury shares at 31.12.2022	B5	857	85	4
Treasury shares at 31.12.2022	B6	97	10	1
Total treasury shares at 31.12.2022		319,042	3,524	17,745

NOTE 10 RELATED PARTIES

The company is controlled by CC Fly Invest ApS. The groups ultimate parent is CataCap II K/S.

Related parties with significant influence consist of the Group's Board of Directors and Executive Management plus close relatives of these persons. Related parties also include companies over which these persons exert considerable influence.

All transactions were carried out on terms equivalent to arm's length principles.

NOTE 11 CONTINGENT ASSETS, LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Charges and security

The following assets have been placed as security with bankers:

IN THOUSANDS DKK	2022	2021
Surety	245,000	370,000

Contingent liabilities

Joint taxation

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of CC Fly Invest ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and

withholding taxes may increase the Company's liability.

The company has secured a guarantee against its borrowing at Ares Credit Group. At year end this amounts to DKK 808 million (DKK 797 million at 31 December 2021).

The company has secured a guarantee against Rekom Group's credit facility at Nordea. At year end this amounts to DKK 0 million (DKK 0 million at 31 December 2021).

NOTE 12 FINANCIAL RISK MANAGEMENT

Credit risks

Credit risks are limited to intercompany receivables, where the credit risk is considered low. No significant credit risks are tied to the Company's receivables.

Liquidity risks

The Company is not exposed to any significant liquidity risks, due to the fact that the Company's main activity is to own shares in subsidiaries.

The vendor loans expire in 2026, 2027 and 2029. Interest is rolled up until expiration. There is no current liquidity risk connected to the interest payments on these loans.

Foreign exchange risk and interest rate risk

Management consider the foreign exchange risk as immaterial due to the limited number of transactions and borrowings in foreign currency. The Company is not exposed to any significant interest rate risk as all borrowings are fixed rate loans.

Capital management

The Company's objectives when managing capital are to secure the Group's (investments in subsidiaries) ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital. Any surplus liquidity is used Management monitors the share and capital structure to ensure that the Company's capital resources support the strategic goals.

NOTE 13 CHANGES IN NET WORKING CAPITAL

IN THOUSANDS DKK	2022	2021
Changes in trade and other payables	0	198
Change in receivables from sales and other receivables	-212	3,699
	-212	3,897

NOTE 14 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

IN THOUSANDS DKK	2022	2021
Proceeds from borrowings	10,107	30,500
Repayment of borrowings	-33,430	0
Receivables from intercompany	0	18,631
Repayment of intercompany	-13,973	0
Capital increase	32,206	78,400
Purchase of own shares	1,670	-957
Cash flow from financing activities at 31.12.	-3,420	126,574

CLAUS JUEL JENSEN
CHAIRMAN

Born 1963
Member since 2018
Affiliation: Independent

OTHER MANAGMENT DUTIES

Chairman
REKOM Group A/S
REKOM Group Holding ApS
CC Fly Holding II A/S
T. Hansen Gruppen A/S
Delika Food Group A/S
Tenax Sild A/S

BOARD MEMBER

Europris Stores ASA
Geia Food A/S
PISSIFFIK A/S

EXECUTIVE MANAGEMENT

CJPI ApS

VILHELM HAHN-PETERSEN
DEPUTY CHAIRMAN

Born 1960
Member since 2018
Affiliation: Non-Independent
Partner - CataCap

OTHER MANAGMENT DUTIES

Chairman
CC Green Wall Invest ApS
Luxplus CEE A/S
Luxplus WE ApS
EchoEcho ApS
DAFA PropCo ApS
DAFA A/S

DEPUTY CHAIRMAN OF THE BOARD

REKOM Group A/S
REKOM Group Holding ApS
CC Fly Holding I ApS
CC Fly Holding II A/S
Atlantic HoldCo Limited
CC Toaster Holding II ApS
CC Toaster Holding I ApS
Luxplus ApS
DAFA Holding I ApS
DAFA Holding II ApS
DAFA Group A/S
CC Mist NEW Holding II ApS

BOARD MEMBER

Aerfin Holdings Limited
Aerfin Limited
Airhelp Limited
Atlantic HoldCo Limited
Atlantic OfferCo Limited
CataCap General Partner II ApS
TPA Holding II A/S
TPA Holding I A/S
TP Aerospace Holding A/S

EXECUTIVE MANAGEMENT

MYCO ApS
CataCap Mangement A/S
CataCap DM ApS
CataCap DM II ApS
CataCap OP ApS
CC II Management Invest 2017 GP ApS
CataCap General Partner I ApS
CataCap III General Partner ApS
CC Fly Invest ApS
REKOM ManCo ApS
TPA Green ManCo ApS
CC TRACK INVEST ApS
CC Toaster Invest ApS
Luxplus MIIP ApS
Globe ManCo ApS
CC Globe Invest ApS
CC DAFA Invest ApS
CC North Invest ApS
CC TAP Invest ApS
CC BidCo ApS
CC BidCo III ApS
CC HoldCo ApS
CC HoldCo III ApS
CC TopCo Invest ApS
CC TopCo III Invest ApS
DAFA MIIP ApS

MORTEN ALBÆK
MEMBER

Born 1975
Member since 2018
Affiliation: Independent
Founder & CEO - Voluntas Group A/S

OTHER MANAGMENT DUTIES

Chairman
Designskolen Kolding

BOARD MEMBER

REKOM Group A/S
REKOM Group Holding ApS
CC Fly Holding II A/S,
Joe & The Juice A/S
AART Architechts A/S
Mercurius International.

OTHER ADVISORY ROLES

Member of SGL TransGroup's
Advisory Council

EXECUTIVE MANAGEMENT

A Mean Company ApS
Voluntas Group A/S
Sea Albaek Future ApS

RASMUS LOKVIG
MEMBER

Born 1978
Member since 2018
Affiliation: Non-independent
Partner - CataCap

OTHER MANAGMENT DUTIES

Deputy Chairman of the Board
CC Globe Holding I ApS
CC Globe Holding II A/S
Group Online A/S

BOARD MEMBER

REKOM Group A/S
REKOM Group Holding ApS
CC Fly Holding II A/S
CataCap General Partner II ApS
CC Mist NEW Holding II ApS

EXECUTIVE MANAGEMENT

MNGT4 RL ApS
CataCap Management A/S
CataCap General Partner I ApS
CC II Management Invest 2017 GP ApS
CataCap III General Partner ApS
REKOM ManCo ApS
CC Globe Invest ApS
Globe ManCo ApS
CC Toaster Invest ApS
Luxplus MIIP ApS
CC BidCo ApS
CC BidCo III ApS
CC DAFA Invest ApS
CC HoldCo ApS
CC HoldCo III ApS
CC North Invest ApS
CC TAP Invest ApS
CC TopCo III Invest ApS
CC TopCo Invest ApS
DAFA MIIP ApS

SOPHIE LOUISE KNAUER
MEMBER

Born 1983
Member since 2019
Affiliation: Independent

OTHER MANAGMENT DUTIES

Board Member
REKOM Group A/S
Solar A/S
REKOM Group Holding ApS
CC Fly Holding II A/S
CC Globe Holding I ApS
CC Globe Holding II A/S
CC Mist New Holding II ApsSKAKO A/S
SKAKO Concrete A/S
SKAKO Vibration A/S
Ferm Living ApS

EXECUTIVE MANAGEMENT

Lady Invest ApS
It's a club ApS

ADAM NEDERBY FALBERT
MEMBER

Born 1976
Member since 2009
Affiliation: Non-independent
CEO/Founder - REKOM Group A/S

OTHER MANAGMENT DUTIES

Board Member
REKOM Group A/S
REKOM Group Holding ApS
CC Fly Holding II A/S
CC Mist NEW Holding II ApS
HB Herman ApS
REKOM R&D ApS
Moker Ejendomme ApS
Havnens Vente 3 Aps
NightPay ApS

EXECUTIVE MANAGEMENT

REKOM Group A/S (CEO and many Executive
Management positions in affiliated
companies)
MOKER Venture ApS
MOKER Venture Finans ApS
Moker Venture & Geppel Invest ApS
Moker Skindergade ApS
Musikarrangør ApS
REKOM Drift 5 ApS
BFP af 1.9.1997 København ApS
REKOM Drift 1 ApS
Nbar ApS
REKOM Event ApS
REKOM Aalborg ApS
REKOM DK Invest ApS
REKOM CIV Komplementar ApS
ANF Enterprises ApS

Board of Directors



RAISE THE BAR.