Tel.: +45 39 15 52 00
koebenhavn@bdo.dk
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR no. 20 22 26 70

DEPT DENMARK HOLDING APS

LANGEBROGADE 6E 1., 1411 KØBENHAVN K

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2022

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 16 November 2023

Francois Louis Schmid

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 39 69 11 40

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COMPANY DETAILS

Company	Dept Denmark Holding ApS Langebrogade 6E 1. 1411 Copenhagen K	
	CVR No.:	39 69 11 40
	Established:	2 July 2018
	Municipality:	Copenhagen
	Financial Year:	1 January - 31 December
Executive Board	Francois Louis Schmid	
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V	
Bank	Jyske Bank Vestergade 8 8600 Silkeborg	

MANAGEMENT'S STATEMENT

Today the Executive Board have discussed and approved the Annual Report of Dept Denmark Holding ApS for the financial year 1 January - 31 December 2022.

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

In my opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

The Management Commentary includes in my opinion a fair presentation of the matters dealt with in the Commentary.

I recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 16 November 2023

Executive Board

Francois Louis Schmid

THE INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Dept Denmark Holding ApS

Conclusion
We have performed an extended review of the Financial Statements of Dept Denmark 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. The Financial Statements are prepared under the Danish Financial Statements Act.

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

Basis for Conclusion
We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of Financial Statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Extended Review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Financial Statements
Management is responsible for the preparation of 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 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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Extended Review of the Financial Statements
Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

Statement on the Management Commentary
Management is responsible for the Management Commentary.

Our conclusion on the Financial Statements does not cover the Management Commentary, and we do not express any form of assurance conclusion thereon.

THE INDEPENDENT AUDITOR'S REPORT

In connection with our extended review of the Financial Statements, our responsibility is to read the Management Commentary and, in doing so, consider whether the Management Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

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

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

Copenhagen, 16 November 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Søren Søndergaard Jensen
State Authorised Public Accountant
MNE no. mne32069

MANAGEMENT COMMENTARY

Principal activities
The principal activities of the company is acting as a holding company.

Significant events after the end of the financial year
No events have occurred after the end of the financial year of material importance for the Company’s financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2022 DKK	2021 DKK
GROSS PROFIT		**1.332.809**	**-3.730.079**
Staff costs	1	-4.255.060	-3.214.206
Depreciation, amortisation and impairment losses		-991.689	-721.604
OPERATING LOSS		**-3.913.940**	**-7.665.889**
Income from investments in subsidiaries		3.064.313	422.291
Other financial income		1.259	0
Other financial expenses	2	-32.361.804	-2.146.528
LOSS BEFORE TAX		**-33.210.172**	**-9.390.126**
Tax on profit/loss for the year	3	11.944.587	2.085.260
LOSS FOR THE YEAR		**-21.265.585**	**-7.304.866**

PROPOSED DISTRIBUTION OF PROFIT

Retained earnings		-21.265.585	-7.304.866
TOTAL		**-21.265.585**	**-7.304.866**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2022 DKK	2021 DKK
Other plant, machinery tools and equipment		6.723.866	1.945.815
Leasehold improvements		985.847	1.254.028
Property, plant and equipment	4	**7.709.713**	**3.199.843**
Equity investments in group enterprises		281.107.454	78.572.142
Financial non-current assets	5	**281.107.454**	**78.572.142**
NON-CURRENT ASSETS		**288.817.167**	**81.771.985**
Trade receivables		34.908	0
Receivables from group enterprises		49.871.811	5.803.708
Deferred tax assets		49.825	0
Other receivables		46.164	184.259
Joint tax contribution receivable		12.141.440	3.318.895
Prepayments and accrued income		3.065	550.226
Receivables		**62.147.213**	**9.857.088**
Cash and cash equivalents		**559.527**	**239.926**
CURRENT ASSETS		**62.706.740**	**10.097.014**
ASSETS		**351.523.907**	**91.868.999**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2022 DKK	2021 DKK
Share capital		52.223	52.223
Retained earnings		45.049.724	28.750.337
EQUITY		**45.101.947**	**28.802.560**
Provision for deferred tax		302.336	55.658
PROVISIONS		**302.336**	**55.658**
Payables to group enterprises		187.970.570	33.500.000
Non-current liabilities	6	**187.970.570**	**33.500.000**
Trade payables		4.638.064	666.505
Debt to group enterprises		81.568.225	27.184.916
Corporation tax		0	613.984
Other liabilities		31.942.765	1.045.376
Current liabilities		**118.149.054**	**29.510.781**
LIABILITIES		**306.119.624**	**63.010.781**
EQUITY AND LIABILITIES		**351.523.907**	**91.868.999**
Contingencies etc.	7		

EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2022	52.223	28.750.338	28.802.561
Proposed profit allocation		-21.265.585	-21.265.585
Transactions with owners			
Group contribution		37.564.971	37.564.971
Equity at 31 December 2022	**52.223**	**45.049.724**	**45.101.947**

NOTES

	2022 DKK	2021 DKK	Note
Staff costs			1
Average number of employees	6	10	
Wages and salaries	1.610.984	1.828.980	
Pensions	199.721	151.244	
Social security costs	915.050	64.467	
Other staff costs	1.529.305	1.169.515	
	4.255.060	**3.214.206**	
Other financial expenses			2
Group enterprises	11.293.867	2.007.998	
Other interest expenses	21.067.937	138.530	
	32.361.804	**2.146.528**	
Tax on profit/loss for the year			3
Calculated tax on taxable income of the year	-12.141.440	-2.168.911	
Adjustment of tax in previous years	0	50.554	
Adjustment of deferred tax	196.853	33.097	
	-11.944.587	**-2.085.260**	

Property, plant and equipment 4

	Other plant, machinery tools and equipment	Leasehold improvements
Cost at 1 January 2022	2.455.998	1.469.629
Additions	5.513.131	30.452
Disposals	-42.023	0
Cost at 31 December 2022	**7.927.106**	**1.500.081**
Depreciation and impairment losses at 1 January 2022	510.184	215.601
Depreciation for the year	693.056	298.633
Depreciation and impairment losses at 31 December 2022	**1.203.240**	**514.234**
Carrying amount at 31 December 2022	**6.723.866**	**985.847**

NOTES

	Note

Financial non-current assets — 5

	Equity investments in group enterprises
Cost at 1 January 2022	98.185.261
Additions	-1
Addition from mergers and acquisition of Company	199.471.001
Cost at 31 December 2022	**297.656.261**
Revaluation at 1 January 2022	10.912.862
Profit/loss for the year	15.847.916
Revaluation at 31 December 2022	**26.760.778**
Impairment losses and amortisation of goodwill at 1 January 2022	30.525.979
Amortisation of goodwill	12.783.606
Impairment losses and amortisation of goodwill at 31 December 2022	**43.309.585**
Carrying amount at 31 December 2022	**281.107.454**

Long-term liabilities — 6

	31/12 2022 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2021 total liabilities
Payables to group enterprises	187.970.570	0	0	33.500.000
	87.970.570	**0**	**0**	**33.500.000**

Contingencies etc. — 7

Contingent liabilities
The company has entered into rental agreements (operating leases). The payments in the period of non-terminability amount to DKK ('000) 9.079.

Joint liabilities
The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the group's jointly taxed income amounts to DKK ('000) 0 at the Balance Sheet date.

ACCOUNTING POLICIES

The Annual Report of Dept Denmark Holding ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue
Sale of services is generally recognised on the basis of a measurable degree of completion, using straight-line recognition of services delivered over time in a regular pattern. Where the degree of completion is not measurable or the sales value or the total costs of completion are uncertain, revenue is recognised by the amount that the enterprise as a maximum believes to have a right to claim and is expected to be received for services delivered at the Balance Sheet date.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Other operating income
Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Other external expenses
Other external expenses include costs related to administration.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

Income from investments in subsidiaries
The proportional share of the results of subsidiaries, stated according to the Parent Company's accounting policies and with full elimination of unrealised intercompany profits/losses and deduction of amortisation of added value and goodwill resulting from purchase price allocation at the date of acquisition, is recognised in the Parent Company's Income Statement.

In connection with transfers, potential profits are recognised when the economic rights related to the sold equity interests are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

BALANCE SHEET

Tangible fixed assets

ACCOUNTING POLICIES

Land and buildings, production plant and machinery, other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment...	4 - 5 years	0 %
Leasehold improvements..	4 - 5 years	0 %

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

Financial non-current assets
Investments in Equity interests in are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring/consolidation.

Equity investments in are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement when the equity interest is acquired. Where the negative goodwill is related to acquired contingent liabilities, the negative goodwill will be recognised as income when the contingent liabilities have been settled or cease.

Acquired enterprises are subject to the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation models.

Consolidated goodwill is amortised over the expected useful life, which is determined on the basis of Management's experience within the individual lines of business. Consolidated goodwill is amortised on a straightline basis over the amortisation period, which is 10 years. The amortisation period is determined on the basis of an assessment of the acquired entity's market position and earnings profile, and the industry specific condition.

Net revaluation of equity interests in subsidiaries is transferred under equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the Company has a legal or actual liability to cover the subsidiary's subsidiaries deficit.

ACCOUNTING POLICIES

Impairment of fixed assets
The carrying amount of tangible assets together with fixed assets, which are not measured at fair value, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.