



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 2020**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 30 June 2021**

---

**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**

**CONTENTS**

	<b>Page</b>
<b>Company Details</b>	
Company Details.....	3
<b>Statement and Report</b>	
Management's Statement.....	4
The Independent Auditor's Report.....	5-6
<b>Management Commentary</b>	
Management Commentary.....	7
<b>Financial Statements 1 January - 31 December</b>	
Income Statement.....	8
Balance Sheet.....	9-10
Equity.....	11
Notes.....	12-13
Accounting Policies.....	14-16

**COMPANY DETAILS**

<b>Company</b>	Dept Denmark Holding ApS Langebrogade 6E 1. 1411 Copenhagen K  CVR No.: 39 69 11 40 Established: 2 July 2018 Registered Office: Copenhagen Financial Year: 1 January - 31 December
<b>Executive Board</b>	Francois Louis Schmid
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V
<b>Bank</b>	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 2020.

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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020.

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, 30 June 2021

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 2020, 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 2020** and of the results of the Company's operations for the financial year 1 January - 31 December 2020 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. 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's Review

Management is responsible for the Management's Review.

Our conclusion on the Financial Statements does not cover the Management's Review, 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's Review and, in doing so, consider whether the Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

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

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

Copenhagen, 30 June 2021

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 activity 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	2020 DKK	2019 DKK
<b>GROSS LOSS</b> .....		<b>-169.040</b>	<b>-170.042</b>
Depreciation, amortisation and impairment losses.....		-4.565	0
<b>OPERATING LOSS</b> .....		<b>-173.605</b>	<b>-170.042</b>
Result of equity investments in group enterprises.....		112.591	-5.869.925
Other financial income.....		884.940	450.000
Other financial expenses.....	1	-2.260.090	-894.667
<b>LOSS BEFORE TAX</b> .....		<b>-1.436.164</b>	<b>-6.484.634</b>
Tax on profit/loss for the year.....	2	340.595	135.150
<b>LOSS FOR THE YEAR</b> .....		<b>-1.095.569</b>	<b>-6.349.484</b>
 <b>PROPOSED DISTRIBUTION OF PROFIT</b>			
Allocation to reserve for net revaluation according to equity value method.....		0	-5.869.925
Retained earnings.....		-1.095.569	-479.559
<b>TOTAL</b> .....		<b>-1.095.569</b>	<b>-6.349.484</b>



## BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2020 DKK	2019 DKK
Other plant, machinery tools and equipment.....		423.894	0
Tangible fixed assets in progress and prepayment.....		1.025.986	0
<b>Property, plant and equipment.....</b>	<b>3</b>	<b>1.449.880</b>	<b>0</b>
Equity investments in group enterprises.....		86.886.470	39.168.743
<b>Financial non-current assets.....</b>	<b>4</b>	<b>86.886.470</b>	<b>39.168.743</b>
<b>NON-CURRENT ASSETS.....</b>		<b>88.336.350</b>	<b>39.168.743</b>
Receivables from group enterprises.....		1.490.858	0
Other receivables.....		0	142.532
Joint tax contribution receivable.....		2.842.270	1.210.774
Prepayments and accrued income.....		21.207	0
<b>Receivables.....</b>		<b>4.354.335</b>	<b>1.353.306</b>
<b>Cash and cash equivalents.....</b>		<b>35.669</b>	<b>697.963</b>
<b>CURRENT ASSETS.....</b>		<b>4.390.004</b>	<b>2.051.269</b>
<b>ASSETS.....</b>		<b>92.726.354</b>	<b>41.220.012</b>

**BALANCE SHEET AT 31 DECEMBER**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2020 DKK</b>	<b>2019 DKK</b>
Share capital.....		52.223	52.223
Retained earnings.....		12.877.395	13.972.964
<b>EQUITY.....</b>		<b>12.929.618</b>	<b>14.025.187</b>
Provision for deferred tax.....		22.561	0
<b>PROVISIONS.....</b>		<b>22.561</b>	<b>0</b>
Payables to group enterprises.....		50.700.000	0
<b>Non-current liabilities.....</b>	<b>5</b>	<b>50.700.000</b>	<b>0</b>
Bank debt.....		0	19.981.800
Trade payables.....		733.530	67
Debt to group enterprises.....		23.184.356	5.933.076
Corporation tax.....		3.554.738	1.075.624
Other liabilities.....		1.601.551	204.258
<b>Current liabilities.....</b>		<b>29.074.175</b>	<b>27.194.825</b>
<b>LIABILITIES.....</b>		<b>79.774.175</b>	<b>27.194.825</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>92.726.354</b>	<b>41.220.012</b>
 Contingencies etc.	 6		

## EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2020.....	52.223	13.972.964	14.025.187
Proposed profit allocation.....		-1.095.569	-1.095.569
<b>Equity at 31 December 2020.....</b>	<b>52.223</b>	<b>12.877.395</b>	<b>12.929.618</b>

## NOTES

	2020 DKK	2019 DKK	Note
<b>Other financial expenses</b>			<b>1</b>
Group enterprises.....	2.193.696	0	
Other interest expenses.....	66.394	894.667	
	<b>2.260.090</b>	<b>894.667</b>	
<b>Tax on profit/loss for the year</b>			<b>2</b>
Calculated tax on taxable income of the year.....	-363.156	-135.150	
Adjustment of deferred tax.....	22.561	0	
	<b>-340.595</b>	<b>-135.150</b>	
<b>Property, plant and equipment</b>			<b>3</b>
	Other plant, machinery tools and equipment	Tangible fixed assets in progress and prepayment	
Additions.....	428.459	1.025.986	
Cost at 31 December 2020.....	428.459	1.025.986	
Depreciation for the year.....	4.565		
Depreciation and impairment losses at 31 December 2020....	4.565		
Carrying amount at 31 December 2020.....	423.894	1.025.986	
<b>Financial non-current assets</b>			<b>4</b>
		Equity investments in group enterprises	
Cost at 1 January 2020.....		45.038.669	
Additions.....		48.605.136	
Cost at 31 December 2020.....		<b>93.643.805</b>	
Revaluation at 1 January 2020.....		3.828.562	
Dividend.....		-1.000.000	
Profit/loss for the year.....		9.409.332	
Revaluation at 31 December 2020.....		<b>12.237.894</b>	
Impairment losses and amortisation of goodwill at 1 January 2020.....		9.698.488	
Amortisation of goodwill.....		9.296.741	
Impairment losses and amortisation of goodwill at 31 December 2020.....		<b>18.995.229</b>	
Carrying amount at 31 December 2020.....		<b>86.886.470</b>	

## NOTES

					Note
<b>Long-term liabilities</b>					<b>5</b>
	31/12 2020	Repayment	Debt	31/12 2019	
	total liabilities	next year	outstanding	total liabilities	
			after 5 years		
Bank loan.....	0	0	0	19.981.800	
Payables to group enterprises.....	50.700.000	0	50.700.000	0	
	<b>50.700.000</b>	<b>0</b>	<b>50.700.000</b>	<b>19.981.800</b>	

The facility bank loan was fully repaid in January 2020. As part of the acquisition, and refinancing structure of the Dept group, Dept Denmark Holding ApS has received an intercompany loan in April 2020 that has been used to acquire the new subsidiary, Sorthvid ApS.

**Contingencies etc.**

6

**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) 3.555 at the balance sheet date.

## ACCOUNTING POLICIES

The Annual Report of Dept Denmark Holding ApS for 2020 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.

### Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

### Other external expenses

Other external expenses include costs related to administration.

### Income from equity interests in subsidiaries

The income statement of the parent company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

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 investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

### 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 portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

## BALANCE SHEET

### Tangible fixed assets

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.

**ACCOUNTING POLICIES**

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. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

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 %

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

**Fixed asset investments**

Investments in subsidiaries are measured in the company's balance sheet under the equity method.

Investments in subsidiaries 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

Investments in subsidiaries are measured in the company's balance sheet under the equity method.

Investments in subsidiaries 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.

Net revaluation of investments in subsidiaries and associates is transferred under the 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 by the company's share of the negative equity 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's has a legal or actual liability to cover the subsidiary's deficit.

**Impairment of fixed assets**

The carrying amount of tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis 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 carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

**Receivables**

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

## ACCOUNTING POLICIES

### 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 carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that 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 borrowing 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 term of loan.

Amortised cost for short-term liabilities usually corresponds to the nominal value.