
P-Link 2019 A/S

C/O Polaris Management A/S, Malmøgade 3, DK-
2100 København Ø

Annual Report for 1 January - 31 December 2020

CVR No 39 86 01 04

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
2 /7 2021

Allan Bach Pedersen
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of P-Link 2019 A/S for the financial year 1 January - 31 December 2020.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2020.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

København, 2 July 2021

Executive Board

Henrik Bonnerup

Board of Directors

Allan Bach Pedersen
Chairman

Jan Johan Kühl

Henrik Bonnerup

Independent Auditor's Report

To the Shareholders of P-Link 2019 A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2020 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of P-Link 2019 A/S 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, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

Basis for opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Independent Auditor's Report

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

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

Independent Auditor's Report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 2 July 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Martin Lunden
statsautoriseret revisor
mne32209

Mads Haugegaard Albrechtsen
statsautoriseret revisor
mne45846

Company Information

The Company

P-Link 2019 A/S
C/O Polaris Management A/S
Malmøgade 3
DK-2100 København Ø

CVR No: 39 86 01 04
Financial period: 1 January - 31 December
Incorporated: 14 September 2018
Municipality of reg. office: København

Board of Directors

Allan Bach Pedersen, Chairman
Jan Johan Kühl
Henrik Bonnerup

Executive Board

Henrik Bonnerup

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Group Chart

Parent company

P-Link 2019 A/S, København Ø,
Denmark
Nom. DKK 10,503,104

81,22%

Consolidated subsidiaries

Link Top Holding A/S, Brøndby,*
Denmark
Nom. DKK 10,503,104
Acquired at 17 December 2019

100%

Link Logistics Holding A/S, Brøndby,
Denmark
Nom. DKK
600,000

100%

Link Logistics A/S, Brøndby,
Denmark
Nom. DKK
4,000,000

100%

Linklog AB, Gothenburg,
Sweden
Nom. SEK
500,000

Financial Highlights

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

	Group		
	2020 TDKK	2019 TDKK	2018 TDKK
Key figures			
Profit/loss			
Gross profit/loss	67,200	-2,373	-40
Operating profit/loss	-2,366	-5,718	-40
Profit/loss before financial income and expenses	-2,366	-5,718	-40
Net financials	-3,387	-127	0
Net profit/loss for the year	-7,516	-5,550	-40
Balance sheet			
Balance sheet total	250,466	255,512	499
Equity	94,550	98,601	460
Cash flows			
Cash flows from:			
- operating activities	12,515	11,945	-1
- investing activities	-4,544	-192,971	0
including investment in property, plant and equipment	-3,799	-2,865	0
- financing activities	-4,331	198,533	500
Change in cash and cash equivalents for the year	3,640	17,507	499
Number of employees	95	83	0
Ratios			
Return on assets	-0.9%	-2.2%	-8.0%
Solvency ratio	37.7%	38.6%	92.2%
Return on equity	-7.8%	-11.2%	-17.4%

Management's Review

Key activities

The company's key activities are investment in companies in Denmark and abroad, engaged in trade, industry and production including consultancy services such as financial, management, strategy and similar services to group enterprises.

Link Logistics

Link Logistics is the largest independent transport provider in the Nordics within express and courier related transport, offering digital one-stop shopping to premium Industry and e-commerce customers across industries.

Link Logistics vision is to eliminate barriers in the courier industry. Our passion is to offer Industry and e-commerce customers tailor-made transport solutions structured around the best global networks.

Link Logistics is established in Denmark and Sweden as well as a recent start-up in USA. Our ambition is to offer unique logistics services across markets through the Link-in-a-Box concept, supporting and developing our main products - courier, warehousing, Pharma and Special Services.

The business model is founded on long term customer relations characterized by high loyalty and very low churn rates, and our +800 customers are supported by +110 dedicated employees, who all strive to deliver 5-star performance every day.

2020 has shown a significant growth within the e-commerce segment – a segment where Link Logistics offer our customers a unique and market leading transport platform. Due to the e-commerce growth and despite COVID-19 effects, Link Logistics show the same growth rates in 2020 as the previous years, with double digit growth rates on top and bottom line.

For Link Logistics in Denmark and Sweden combined the revenue growth is 10% during 2020. The entity revenue growth was 9% for Denmark and 25% for Sweden.

Link Logistics operates under own brand and is represented in Denmark by three offices and sorting terminals respectively in Brøndby, Aarhus and Frederica as well as two locations in Sweden with office and terminal in Gothenburg and Stockholm and newly opened operations in the US.

Link Logistics is owned by Polaris Private Equity (member of DVCA)

Management's Review

Development in the year

The income statement of the Group for 2020 shows a loss of DKK 7,515,926, and at 31 December 2020 the balance sheet of the Group shows equity of DKK 94,549,735.

2020 has been a year highly influenced by the global covid-19 pandemic. We have seen a decline in the revenue and volumes from industrial customers, while the e-commerce segment has compensated the decline and further growth resulting in record revenue and bottom line for the year.

Activities to expand Link Logistics to new markets have been put on hold during 2020 due to Covid-19, and efforts has been targeted at optimizing and developing business model in Denmark and Sweden.

The new board of directors has been elected, and 2 new members with expertise within e-commerce has joined the team during 2020.

Risk management

Link Logistics has a traditional organizational structure with a board of directors and an executive board. The executive board is working closely together with key employees to make sure that operational risk is managed at the expected level as well as the control-environment is considered effective.

The Group is following the DVCA's recommendations as well as recommendations on corporate governance.

Operating risks

The business-model and operational activities are not exposed to any material risk in addition to general industry conditions such as completion, pricing and regulation.

Group Management routinely monitor the risks and opportunities that may occur. It has been assessed that there are no single significant risk relating to the operations of the group.

During 2020 the Covid-19 has affected mainly our industrial customers with lower volumes, though this drop has been outgrown by growth within the e-commerce segment. The customer spread has been reducing risk exposure during the pandemic, and the customer mix will be a strong part of the business going forward.

Foreign exchange risks

The Group operates in different currency's, DKK, SEK, USD and EUR, but in all material aspects most transactions is handled in local currency i.e., DKK in Denmark and SEK in Sweden. In a consolidated view the SEK shows volatility but the investment in Sweden is immaterial from a group perspective.

Management's Review

Credit risks

The Group has a solvency ratio at 37% and the credit risk is considered low. The Group has external debt of DKK 141 mio. The amended terms and conditions, to this debt, includes financial covenant. The covenant is tested quarterly, based upon rolling 12 months results.

Sustainability

During 2020 Link Logistics has initiated a range of initiatives within the area of sustainability as we believe we have a responsibility to address current global challenges and act on them. Our responsible business conduct is based on managing potential and actual adverse impacts on the internationally agreed core areas of sustainable development: social, environmental, and economic sustainability (ESG).

The focus has been on establishing a sustainability framework that will serve as a backbone of our efforts to create transparency in our operations and transport network and to find ways to reduce our negative impacts and increase our positive impacts. In 2020 Link Logistics has made great progress in establishing a reporting structure that enables tracking, prioritizing, and communicating the progress made within sustainability. Onwards, we will be sharing our latest updates within ESG on the website.

Growth in new markets

Link Logistics has proved a solid business model and concept almost 20 years of successful business at the Danish market and becoming market leading within our sector.

In Sweden, the concept has been established, and next step is to grow further and to potentially expand the Link concept to several new markets, and US was started up in 2020, and we expect the next European markets to be opened during 2021.

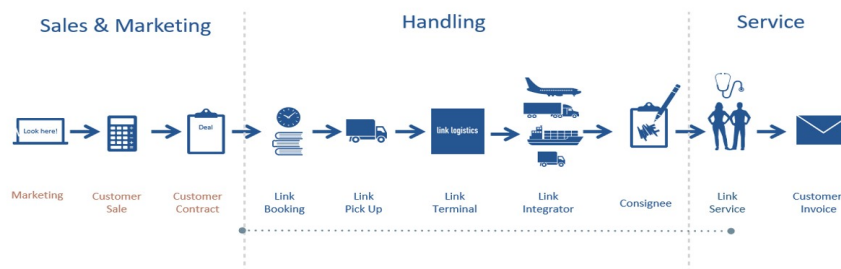
To document and keep all learnings and best practice for future expansion, Link in a Box has been developed. This is a manual describing how to open a new Link terminal – from market selection, location selection and day to day management of a new Link facility.

Management's Review

The customers interact with Link at various stages – from initial contact and contract signing till booking and pick-up and ultimately invoicing.

Link strives to deliver a 5-star performance and customer experience in all touchpoints and this focus is supported by the Management Plan, our values as well as the Linker concept.

The one stop shopping transport concept adds value to our customers throughout the entire chain and all transport solutions are focused on a seamless customer experience



Looking forward

We expect continued increasing volumes from the e-commerce segment in 2021, and we also expect the industrial segment to catch up once the Covid-19 restrictions are lifted globally.

Main focus for 2021 will be to develop and expand our e-commerce offering ensuring that we continue to be market leading within this segment.

During 2021 Link will take next step for expanding to new markets both in US as well as in Europe.

Our efforts within sustainability will continue in 2021 integrated in our business model with a number of measures including a strong focus on climate change and working towards creating the optimal transport mix based on lowest possible CO2 emission.

Subsequent events

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

Income Statement 1 January - 31 December

	Note	Consolidated		Parent company	
		2020	2019	2020	2019
		DKK	DKK	DKK	DKK
Gross profit/loss		67,199,880	-2,373,330	-188,296	-49,264
Staff expenses	1	-45,767,640	-2,370,161	0	0
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-23,798,454	-974,645	0	0
Profit/loss before financial income and expenses		-2,366,214	-5,718,136	-188,296	-49,264
Income from investments in subsidiaries		0	0	-6,353,942	-1,326,824
Financial income		78,601	966	0	0
Financial expenses		-3,465,332	-127,634	0	0
Profit/loss before tax		-5,752,945	-5,844,804	-6,542,238	-1,376,088
Tax on profit/loss for the year	2	-1,762,981	295,288	0	0
Net profit/loss for the year		-7,515,926	-5,549,516	-6,542,238	-1,376,088

Balance Sheet 31 December

Assets

	Note	Consolidated		Parent company	
		2020	2019	2020	2019
		DKK	DKK	DKK	DKK
Acquired patents		1,517,218	382,662	0	0
Acquired other similar rights		54,476,190	63,619,047	0	0
Goodwill		113,441,267	126,104,478	0	0
Intangible assets	3	169,434,675	190,106,187	0	0
Other fixtures and fittings, tools and equipment		3,570,304	2,518,503	0	0
Leasehold improvements		1,581,335	346,023	0	0
Property, plant and equipment	4	5,151,639	2,864,526	0	0
Investments in subsidiaries	5	0	0	78,355,148	86,460,542
Deposits	6	1,468,507	1,445,567	0	0
Fixed asset investments		1,468,507	1,445,567	78,355,148	86,460,542
Fixed assets		176,054,821	194,416,280	78,355,148	86,460,542
Trade receivables		50,108,043	38,462,565	0	0
Other receivables		267,864	2,361,538	0	0
Corporation tax		715,276	822,043	0	0
Prepayments	7	1,674,248	1,444,222	0	0
Receivables		52,765,431	43,090,368	0	0
Cash at bank and in hand		21,645,649	18,005,804	3,009,067	682,315
Currents assets		74,411,080	61,096,172	3,009,067	682,315
Assets		250,465,901	255,512,452	81,364,215	87,142,857

Balance Sheet 31 December

Liabilities and equity

	Note	Consolidated		Parent company	
		2020 DKK	2019 DKK	2020 DKK	2019 DKK
Share capital		1,380,000	1,380,000	1,380,000	1,380,000
Share premium account		87,120,000	87,120,000	87,120,000	87,120,000
Retained earnings		-11,153,234	-5,957,075	-7,198,598	-1,415,668
Equity attributable to shareholders of the Parent Company		77,346,766	82,542,925	81,301,402	87,084,332
Minority interests		17,202,969	16,058,542	0	0
Equity		94,549,735	98,601,467	81,301,402	87,084,332
Provision for deferred tax	9	12,915,297	15,928,587	0	0
Other provisions	10	1,750,000	500,000	0	0
Provisions		14,665,297	16,428,587	0	0
Credit institutions		73,534,737	85,400,000	0	0
Lease obligations		2,466,306	1,261,893	0	0
Other payables		0	1,053,236	0	0
Long-term debt	11	76,001,043	87,715,129	0	0
Credit institutions	11	12,000,000	8,000,000	0	0
Lease obligations	11	499,246	618,527	0	0
Trade payables		40,144,495	32,462,094	62,813	46,875
Payables to group enterprises		0	61,650	0	11,650
Corporation tax		0	192,368	0	0
Other payables	11	12,606,085	11,432,630	0	0
Short-term debt		65,249,826	52,767,269	62,813	58,525
Debt		141,250,869	140,482,398	62,813	58,525
Liabilities and equity		250,465,901	255,512,452	81,364,215	87,142,857
Distribution of profit	8				
Contingent assets, liabilities and other financial obligations	14				
Related parties	15				
Accounting Policies	16				

Statement of Changes in Equity

Consolidated

	Share capital	Share premium account	Retained earnings	Equity excl. minority interests	Minority interests	Total
	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	1,380,000	87,120,000	-5,957,075	82,542,925	16,058,542	98,601,467
Exchange adjustments	0	0	15,515	15,515	3,041	18,556
Movement minority interest	0	0	222,624	222,624	2,288,136	2,510,760
Sale of warrents	0	0	803,807	803,807	269,947	1,073,754
Purchase of treasury shares	0	0	-116,114	-116,114	-22,762	-138,876
Net profit/loss for the year	0	0	-6,121,991	-6,121,991	-1,393,935	-7,515,926
Equity at 31 December	1,380,000	87,120,000	-11,153,234	77,346,766	17,202,969	94,549,735

Parent company

Equity at 1 January	1,380,000	87,120,000	-1,415,668	87,084,332	0	87,084,332
Other equity movements	0	0	759,308	759,308	0	759,308
Net profit/loss for the year	0	0	-6,542,238	-6,542,238	0	-6,542,238
Equity at 31 December	1,380,000	87,120,000	-7,198,598	81,301,402	0	81,301,402

Cash Flow Statement 1 January - 31 December

	Note	Consolidated	
		2020 DKK	2019 DKK
Net profit/loss for the year		-7,515,926	-5,549,516
Adjustments	12	29,071,444	803,048
Change in working capital	13	-653,877	17,447,691
Cash flows from operating activities before financial income and expenses		20,901,641	12,701,223
Financial income		78,601	966
Financial expenses		-3,465,332	-127,634
Cash flows from ordinary activities		17,514,910	12,574,555
Corporation tax paid		-5,000,000	-629,675
Cash flows from operating activities		12,514,910	11,944,880
Purchase of intangible assets		-1,656,552	-190,106,187
Purchase of property, plant and equipment		-3,799,430	-2,864,526
Fixed asset investments made etc		-22,940	0
Sale of warrants		803,807	0
Sale of warrants, minority interests		269,947	0
Purchase of treasury shares		-116,114	0
Purchase of treasury shares minority interests		-22,762	0
Cash flows from investing activities		-4,544,044	-192,970,713

Pengestrømsopgørelse 1. januar - 31. december

	<u>Note</u>	<u>2020</u>	<u>2019</u>
		DKK	DKK
Repayment of loans from credit institutions		-7,865,263	0
Reduction of lease obligations		1,085,132	0
Repayment of payables to group enterprises		-61,650	0
Raising of loans from credit institutions		0	93,400,000
Movement minority interests		2,510,760	0
Cash capital increase minority interests		0	17,132,637
Cash capital increase		0	88,000,000
Cash flows from financing activities		<u>-4,331,021</u>	<u>198,532,637</u>
Change in cash and cash equivalents		3,639,845	17,506,804
Cash and cash equivalents at 1 January		18,005,804	499,000
Cash and cash equivalents at 31 December		<u>21,645,649</u>	<u>18,005,804</u>
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		21,645,649	18,005,804
Cash and cash equivalents at 31 December		<u>21,645,649</u>	<u>18,005,804</u>

Notes to the Financial Statements

	Consolidated		Parent company	
	2020	2019	2020	2019
	DKK	DKK	DKK	DKK
1 Staff expenses				
Wages and salaries	41,749,483	2,272,147	0	0
Pensions	2,816,974	60,317	0	0
Other social security expenses	1,201,183	37,697	0	0
	45,767,640	2,370,161	0	0
Average number of employees	95	83	0	0

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

At December 2020, an incentive scheme was established comprising both the Board of Directors, the Executive Board and other executives and the scheme is made to maintain the management. The scheme runs from 6 March 2020 to 19 November 2025. When an option has vested, the option holder may subscribe for one new share in P-Link 2019 A/S at a exercise price of DKK 10 with addition of 10% p.a. from the date of subscription. As it is the Company's practice to settle the schemes by way of shares (equity-settled share-based payment arrangements), no costs have been recognised in 2020.

2 Tax on profit/loss for the year

Current tax for the year	4,209,216	-44,015	0	0
Deferred tax for the year	-2,949,697	-251,273	0	0
Adjustment of tax concerning previous years	503,462	0	0	0
	1,762,981	-295,288	0	0

Notes to the Financial Statements

3 Intangible assets

Consolidated

	Acquired pa- tents	Acquired other similar rights	Goodwill
	DKK	DKK	DKK
Cost at 1 January	392,047	64,000,000	126,632,112
Additions for the year	1,610,227	0	0
Cost at 31 December	<u>2,002,274</u>	<u>64,000,000</u>	<u>126,632,112</u>
Impairment losses and amortisation at 1 January	9,387	380,953	527,634
Amortisation for the year	475,669	9,142,857	12,663,211
Impairment losses and amortisation at 31 December	<u>485,056</u>	<u>9,523,810</u>	<u>13,190,845</u>
Carrying amount at 31 December	<u>1,517,218</u>	<u>54,476,190</u>	<u>113,441,267</u>

4 Property, plant and equipment

Consolidated

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	2,560,923	346,023
Additions for the year	2,381,753	1,417,677
Disposals for the year	-83,623	-1,038
Cost at 31 December	<u>4,859,053</u>	<u>1,762,662</u>
Impairment losses and depreciation at 1 January	47,360	8,797
Depreciation for the year	1,241,389	172,530
Impairment losses and depreciation at 31 December	<u>1,288,749</u>	<u>181,327</u>
Carrying amount at 31 December	<u>3,570,304</u>	<u>1,581,335</u>
Including assets under finance leases amounting to	<u>2,432,200</u>	<u>0</u>

Notes to the Financial Statements

	Parent company	
	2020	2019
	DKK	DKK
5 Investments in subsidiaries		
Cost at 1 January	87,817,300	500,000
Additions for the year	0	87,317,300
Disposals for the year	<u>-2,510,910</u>	<u>0</u>
Cost at 31 December	<u>85,306,390</u>	<u>87,817,300</u>
Value adjustments at 1 January	-1,356,758	-29,934
Net effect from merger and acquisition	0	4,906
Disposals for the year	38,793	0
Net profit/loss for the year	-6,392,585	-1,331,730
Other equity movements, net	759,308	0
Amortisation of goodwill	0	0
Other adjustments	<u>0</u>	<u>0</u>
Value adjustments at 31 December	<u>-6,951,242</u>	<u>-1,356,758</u>
Carrying amount at 31 December	<u>78,355,148</u>	<u>86,460,542</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Link Top Holding A/S	Brøndby, Danmark	10,503,104	81.22%	96,415,486	-7,870,687

6 Other fixed asset investments

	Consolidated
	Deposits
	DKK
Cost at 1 January	1,449,880
Additions for the year	<u>18,627</u>
Cost at 31 December	<u>1,468,507</u>
Carrying amount at 31 December	<u>1,468,507</u>

Notes to the Financial Statements

7 Prepayments

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

	Consolidated		Parent company	
	2020 DKK	2019 DKK	2020 DKK	2019 DKK
8 Distribution of profit				
Minority interests' share of net profit/loss of subsidiaries	-1,393,935	-901,491	0	0
Retained earnings	-6,121,991	-4,648,025	-6,542,238	-1,376,088
	-7,515,926	-5,549,516	-6,542,238	-1,376,088
9 Provision for deferred tax				
Provision for deferred tax at 1 January	15,928,587	0	0	0
Amounts recognised in the income statement for the year	-2,949,697	-251,273	0	0
Amounts recognised in equity for the year	-63,593	16,179,860	0	0
Provision for deferred tax at 31 December	12,915,297	15,928,587	0	0
Intangible assets	1,971,594	2,033,956	0	0
Property, plant and equipment	511,099	276,719	0	0
Acquired customer rights	11,868,682	14,000,000	0	0
Accounts receivable	-71,637	0	0	0
Prepaid expenses	275,792	282,877	0	0
Lease obligations	-652,421	-413,692	0	0
Tax loss carry-forward	-987,812	-251,273	0	0
	12,915,297	15,928,587	0	0

Notes to the Financial Statements

	Consolidated		Parent company	
	2020	2019	2020	2019
	DKK	DKK	DKK	DKK
10 Other provisions				
Other provisions	1,750,000	500,000	0	0
	1,750,000	500,000	0	0

11 Long-term debt

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

The debt falls due for payment as specified below:

Credit institutions

Between 1 and 5 years	73,534,737	85,400,000	0	0
Long-term part	73,534,737	85,400,000	0	0
Other short-term debt to credit institutions	12,000,000	8,000,000	0	0
	85,534,737	93,400,000	0	0

Lease obligations

Between 1 and 5 years	2,466,306	1,261,893	0	0
Long-term part	2,466,306	1,261,893	0	0
Within 1 year	499,246	618,527	0	0
	2,965,552	1,880,420	0	0

Other payables

Between 1 and 5 years	0	1,053,236	0	0
Long-term part	0	1,053,236	0	0
Other short-term payables	12,606,085	11,432,630	0	0
	12,606,085	12,485,866	0	0

Notes to the Financial Statements

	Consolidated	
	2020	2019
	DKK	DKK
12 Cash flow statement - adjustments		
Financial income	-78,601	-966
Financial expenses	3,465,332	127,634
Depreciation, amortisation and impairment losses, including losses and gains on sales	23,798,454	974,645
Tax on profit/loss for the year	1,762,981	-295,288
Other adjustments	123,278	-2,977
	29,071,444	803,048
13 Cash flow statement - change in working capital		
Change in receivables	-9,706,498	-42,269,670
Change in other provisions	1,250,000	31,399,050
Change in trade payables, etc	7,802,621	28,318,311
	-653,877	17,447,691

Notes to the Financial Statements

	Consolidated		Parent company	
	2020	2019	2020	2019
	DKK	DKK	DKK	DKK

14 Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with bankers:

The shares are pledged in accordance with a pledge agreement (Share Pledge Agreement) of 17 December 2019 with first priority for Nykredit Bank A/S (CVR no. 10 51 96 08, Kalvebod Brygge t-3, DK-1560 Copenhagen), which implies that no additional collateral rights may be established over the shares without Nykredit's prior consent.

Rental and lease obligations

Rent obligations, period notice	6,963,177	7,409,555	0	0
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The Group has provided a bank guarantee to the landlord to guarantee the fulfillment of its obligations, cf. the lease contract of DKK 333,200.

Other contingent liabilities

The Group subsidiary Link Logistic A/S has agreed to become an additional borrower and to be bound by the terms of the financial agreement between the group subsidiary Link Top Holding A/S and Nykredit Bank A/S

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the Danish 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.

15 Related parties

	<u>Basis</u>
Controlling interest	
Polaris Private Equity IV K/S, CVR 36 48 65 97	Ultimative Parent Company

Notes to the Financial Statements

16 Accounting Policies

The Annual Report of P-Link 2019 A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated and Parent Company Financial Statements for 2020 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, P-Link 2019 A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

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

Notes to the Financial Statements

16 Accounting Policies (continued)

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

Business combinations

Minority interests

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

Business acquisitions carried through on or after 1 July 2018

Minority interests are initially measured at their proportionate share of the fair value of the acquired entity's identifiable net assets. In this way, only goodwill related to the Parent Company's share of the entity acquired is recognised.

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

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Notes to the Financial Statements

16 Accounting Policies (continued)

Incentive schemes

The value of share-based payment, including share option and warrant plans that do not involve an outflow of cash and cash equivalents, offered to the Executive Board and a number of senior employees is not recognised in the income statement. The most significant conditions of the share option plans are disclosed in the notes.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

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

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Staff expenses

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

Notes to the Financial Statements

16 Accounting Policies (continued)

Amortisation, depreciation and impairment losses

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

Income from investments in subsidiaries

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

Financial income and expenses

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

Tax on profit/loss for the year

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

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

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

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

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 5-7 years.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Notes to the Financial Statements

16 Accounting Policies (continued)

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-10	years
Leasehold improvements	5	years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

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

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use under the "measurement method".

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

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

Notes to the Financial Statements

16 Accounting Policies (continued)

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

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

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Notes to the Financial Statements

16 Accounting Policies (continued)

Financial debts

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

Cash Flow Statement

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

Cash flows from operating activities

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

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

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

Cash and cash equivalents

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

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

Notes to the Financial Statements

16 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

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