
Link Top Holding A/S

Vallensbækvej 51, DK-2605 Brøndby

Annual Report for 1 January - 31 December 2020

CVR No 39 86 06 35

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
29/4 2021

Charlotte Gaarn Hansson
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 Link Top Holding A/S for the financial year 1 January - 31 December 2020 and for the Group consolidated operations 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.

Brøndby, 25 February 2021

Executive Board

Anders Martin Martens
CEO

Board of Directors

Charlotte Gaarn Hansson
Chairman

Henrik Bonnerup

Mads Koch Jensen

Sophie Öhrström

Pascar Paw Paramasivam

Independent Auditor's Report

To the Shareholders of Link Top Holding 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 Link Top Holding 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, 25 February 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Martin Lunden
State authorised public accountant
mne32209

Mads Haugegaard Albrechtsen
State authorised public accountant
mne45846

Company Information

The Company

Link Top Holding A/S
Vallensbækvej 51
DK-2605 Brøndby

CVR No: 39 86 06 35
Financial period: 1 January - 31 December
Incorporated: 14 September 2018
Financial year: 3rd financial year
Municipality of reg. office: Brøndby

Board of directors

Charlotte Gaarn Hansson, Chairman
Henrik Bonnerup
Mads Koch Jensen
Sophie Öhrström
Pascas Paw Paramasivam

Executive Board

Anders Martin Martens

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Group Chart

Parent company

Link Top Holding A/S, Brøndby,
Denmark
Nom. DKK 10,503,104

100%

Consolidated subsidiaries

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

100%

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

Link Logistics Inc,
USA
Nom. USD 1,000

Financial Highlights

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

	Consolidated	
	2020 TDKK	2019 14 days TDKK
Key figures		
Profit/loss		
Gross profit/loss	67,388	-2,324
Operating profit/loss	-2,178	-5,669
Profit/loss before financial income and expenses	-2,178	-5,669
Net financials	-3,387	-127
Net profit/loss for the year	-7,328	-5,500
Balance sheet		
Balance sheet total	247,457	254,830
Equity	91,546	97,978
Cash flows		
Cash flows from:		
- operating activities	12,641	8,372
- investing activities	-4,555	-34
including investment in property, plant and equipment	-3,799	-5
- financing activities	-6,773	25
Change in cash and cash equivalents for the year	1,313	8,363
Number of employees	95	83
Ratios		
Return on assets	-0.9%	-2.2%
Solvency ratio	37.0%	38.4%
Return on equity	-7.7%	-11.2%

Management's Review

Key activities

The Company's main activity is to act as a holding company of group subsidiaries as well as to exercise management activities in relation to these enterprises and consultancy in the form of financial management, strategy and similar services to group companies.

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

Board of directors

The board of directors are:

Name	Role	Nominated by	Other Positions
Charlotte Hansson	Chair	Polaris Private Equity	Chairman in Orio AB and Board Member in Green Cargo AB, Bergman & Beving AB, DistIT AB, Probi AB, Senergia Nordic AB and Stena Trade & Industry AB
Henrik Bonnerup	Member	Polaris Private Equity	Partner Polaris Private Equity, and board member in: Allianceplus Holding A/S, Rely On Nutec Holding A/S as well as other Holding companies owned by Polaris Private Equity
Mads Koch Jensen	Member	MASH Holding	CCO Link Logistics
Pascar Sivam	Member	Polaris Private Equity	Co-founder and partner at Blazar Capital and Co-founder and CEO of Nordgreen
Sophie Öhrström	Member	Polaris Private Equity	Executive Vice President Global Logistics at GANT and Board member in Orio AB

Board, Senior Management and key employees are included in a share program.

Development in the year

The income statement of the Group for 2020 shows a loss of DKK 7,327,630, and at 31 December 2020 the balance sheet of the Group shows equity of DKK 91,546,443.

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.

Management's Review

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.

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).

Management's Review

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.

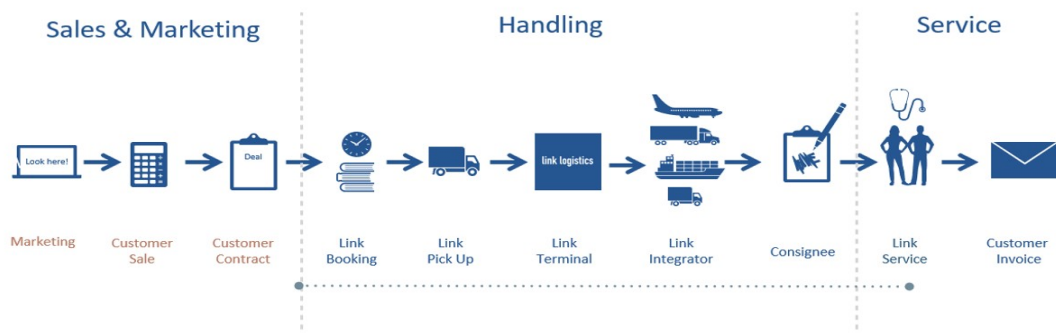
In Sweden, the concept has been established, and next step is to grow further and to potentially expand the Link concept to several new markets, and US was started up in 2020, and we expect the next European markets to be opened during 2021.

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.

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



Management's Review

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.

Consolidated Income Statement 1 January - 31 December

Income Statement 1 January - 31 December

	Note	Consolidated		Parent company	
		2020 DKK	2019 14 days DKK	2020 DKK	2019 DKK
Gross profit/loss		67,388,176	-2,324,067	2,632,103	-119,818
Staff expenses	1	-45,767,640	-2,370,161	-4,308,565	0
EBITDA		21,620,536	-4,694,228	-1,676,462	-119,818
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-23,798,454	-974,645	0	0
Profit/loss before financial income and expenses		-2,177,918	-5,668,873	-1,676,462	-119,818
Income from investments in subsidiaries		0	0	-4,367,350	-1,410,987
Financial income		78,601	966	0	0
Financial expenses		-3,465,332	-127,633	-2,814,688	-113,241
Profit/loss before tax		-5,564,649	-5,795,540	-8,858,500	-1,644,046
Tax on profit/loss for the year	3	-1,762,981	295,288	987,813	51,273
Net profit/loss for the year		-7,327,630	-5,500,252	-7,870,687	-1,592,773

Balance Sheet 31 December

Assets

	Note	Consolidated		Parent company	
		2020	2019	2020	2019
		DKK	DKK	DKK	DKK
Software		1,517,218	382,662	0	0
Acquired customer rights		54,476,190	63,619,047	0	0
Goodwill		113,441,267	126,104,478	0	0
Intangible assets	4	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	5	5,151,639	2,864,526	0	0
Investments in subsidiaries	6	0	0	178,156,893	193,550,617
Deposits	7	1,468,507	1,445,567	0	0
Fixed asset investments		1,468,507	1,445,567	178,156,893	193,550,617
Fixed assets		176,054,821	194,416,280	178,156,893	193,550,617
Trade receivables		50,108,043	38,462,565	0	0
Receivables from group enterprises		0	0	4,683,444	0
Other receivables		267,864	2,361,538	0	1,043,879
Deferred tax asset	10	0	0	1,039,086	51,273
Corporation tax		715,276	822,043	0	0
Prepayments	8	1,674,248	1,444,222	0	0
Receivables		52,765,431	43,090,368	5,722,530	1,095,152
Cash at bank and in hand		18,636,584	17,323,490	120,248	8,694,355
Currents assets		71,402,015	60,413,858	5,842,778	9,789,507
Assets		247,456,836	254,830,138	183,999,671	203,340,124

Balance Sheet 31 December

Liabilities and equity

	Note	Consolidated		Parent company	
		2020 DKK	2019 DKK	2020 DKK	2019 DKK
Share capital		10,503,104	10,503,104	10,503,104	10,503,104
Share premium account		94,527,936	94,527,936	94,527,936	94,527,936
Retained earnings		-13,484,597	-7,053,363	-8,615,554	-1,622,707
Equity		91,546,443	97,977,677	96,415,486	103,408,333
Provision for deferred tax	10	12,915,297	15,928,587	0	0
Other provisions	11	1,750,000	500,000	0	0
Provisions		14,665,297	16,428,587	0	0
Credit institutions		73,534,737	85,400,000	73,534,737	85,400,000
Lease obligations		2,466,306	1,261,893	0	0
Other payables		0	1,053,236	0	0
Long-term debt	12	76,001,043	87,715,129	73,534,737	85,400,000
Credit institutions	12	12,000,000	8,000,000	12,000,000	8,000,000
Lease obligations	12	499,246	618,527	0	0
Trade payables		40,081,684	32,415,221	0	63,750
Payables to group enterprises		57,038	50,000	57,038	50,000
Corporation tax		0	192,368	0	0
Other payables	12	12,606,085	11,432,629	1,992,410	6,418,041
Short-term debt		65,244,053	52,708,745	14,049,448	14,531,791
Debt		141,245,096	140,423,874	87,584,185	99,931,791
Liabilities and equity		247,456,836	254,830,138	183,999,671	203,340,124
Distribution of profit	9				
Contingent assets, liabilities and other financial obligations	15				
Related parties	16				
Accounting Policies	17				

Statement of Changes in Equity

Consolidated

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	10,503,104	94,527,936	-7,053,363	97,977,677
Exchange adjustments	0	0	18,556	18,556
Sale of warrents	0	0	1,016,716	1,016,716
Purchase of treasury shares	0	0	-138,876	-138,876
Net profit/loss for the year	0	0	-7,327,630	-7,327,630
Equity at 31 December	10,503,104	94,527,936	-13,484,597	91,546,443

Parent company

Equity at 1 January	10,503,104	94,527,936	-1,622,707	103,408,333
Sale of warrents	0	0	1,016,716	1,016,716
Purchase of treasury shares	0	0	-138,876	-138,876
Net profit/loss for the year	0	0	-7,870,687	-7,870,687
Equity at 31 December	10,503,104	94,527,936	-8,615,554	96,415,486

Cash Flow Statement 1 January - 31 December

	Note	Consolidated	
		2020 DKK	2019 14 days DKK
Net profit/loss for the year		-7,327,630	-5,500,252
Adjustments	13	29,163,996	803,047
Change in working capital	14	-808,691	12,792,181
Cash flows from operating activities before financial income and expenses		21,027,675	8,094,976
Financial income		78,601	966
Financial expenses		-3,465,332	-127,634
Cash flows from ordinary activities		17,640,944	7,968,308
Corporation tax paid		-5,000,000	404,076
Cash flows from operating activities		12,640,944	8,372,384
Purchase of intangible assets		-1,610,227	-29,329
Purchase of property, plant and equipment		-3,799,430	-4,940
Fixed asset investments made etc		-22,940	0
Sale of warrents		1,016,716	0
Purchase of treasury shares		-138,876	0
Cash flows from investing activities		-4,554,757	-34,269
Repayment of loans from credit institutions		-7,865,263	0
Reduction of lease obligations		1,085,132	-25,411
Received from group enterprises		7,038	50,000
Cash flows from financing activities		-6,773,093	24,589
Change in cash and cash equivalents		1,313,094	8,362,704
Cash and cash equivalents at 1 January		17,323,490	8,960,786
Cash and cash equivalents at 31 December		18,636,584	17,323,490
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		18,636,584	17,323,490
Cash and cash equivalents at 31 December		18,636,584	17,323,490

Notes to the Financial Statements

	Consolidated		Parent company	
	2020	2019	2020	2019
	DKK	14 days DKK	DKK	DKK
1 Staff expenses				
Wages and salaries	41,749,483	2,272,147	2,370,118	0
Pensions	2,816,974	60,317	1,382,918	0
Other social security expenses	1,201,183	37,697	555,529	0
	45,767,640	2,370,161	4,308,565	0
Including remuneration to the Executive Board of:				
Executive- and Supervisory Board	2,523,922	3,313,816	2,523,922	0
	2,523,922	3,313,816	2,523,922	0
Average number of employees	95	83	2	0

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 Link Top Holding 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 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Amortisation of intangible assets	22,281,739	917,972	0	0
Depreciation of property, plant and equipment	1,432,055	56,673	0	0
Gain and loss on disposal	84,660	0	0	0
	23,798,454	974,645	0	0

Notes to the Financial Statements

	Consolidated		Parent company	
	2020 DKK	2019 14 days DKK	2020 DKK	2019 DKK
3 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	-987,813	-51,273
Adjustment of tax concerning previous years	503,462	0	0	0
	1,762,981	-295,288	-987,813	-51,273

4 Intangible assets

Consolidated

	Software	Acquired customer 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	2,002,274	64,000,000	126,632,112
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	485,056	9,523,810	13,190,845
Carrying amount at 31 December	1,517,218	54,476,190	113,441,267

Notes to the Financial Statements

5 Property, plant and equipment

Consolidated

	Other fixtures and fittings, tools and equipment <u>DKK</u>	Leasehold improvements <u>DKK</u>
Cost at 1 January	2,560,923	346,023
Additions for the year	2,381,753	1,417,677
Disposals for the year	<u>-83,623</u>	<u>-1,038</u>
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	<u>1,241,389</u>	<u>172,530</u>
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 DKK	2019 DKK
6 Investments in subsidiaries		
Cost at 1 January	194,961,604	0
Additions for the year	0	194,961,604
Cost at 31 December	194,961,604	194,961,604
Value adjustments at 1 January	-1,410,987	0
Net profit/loss for the year	14,838,369	-502,400
Dividend to the Parent Company	-11,000,000	0
Amortisation and other adjustments	-19,232,093	-908,587
Value adjustments at 31 December	-16,804,711	-1,410,987
Carrying amount at 31 December	178,156,893	193,550,617
Remaining positive difference included in the above carrying amount at 31 December	153,326,248	172,558,341

Transaction costs of DKKK 5,430,566 has been capitalized as part of the goodwill and are amortised over 10 years.

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 Logistics A/S	Brøndby, Denmark	4.000.000	100%	25,151,682	14,838,344

Notes to the Financial Statements

7 Other fixed asset investments

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

8 Prepayments

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

	Consolidated		Parent company	
	2020	2019	2020	2019
	DKK	DKK	DKK	DKK
9 Distribution of profit				
Retained earnings	-7,327,630	-5,500,252	-7,870,687	-1,592,773
	<u>-7,327,630</u>	<u>-5,500,252</u>	<u>-7,870,687</u>	<u>-1,592,773</u>

Notes to the Financial Statements

	Consolidated		Parent company	
	2020	2019	2020	2019
	DKK	DKK	DKK	DKK
10 Provision for deferred tax				
Provision for deferred tax at 1 January	15,928,587	0	-51,273	0
Amounts recognised in the income statement for the year	-2,949,697	-251,273	-987,813	-51,273
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	-1,039,086	-51,273
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
Låneomkostninger	0	0	-30,000	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	-1,009,086	-51,273
Transferred to deferred tax asset	0	0	1,039,086	51,273
	12,915,297	15,928,587	0	0
Deferred tax asset				
Calculated tax asset	0	0	1,039,086	51,273
Carrying amount	0	0	1,039,086	51,273
11 Other provisions				
Provision for restoration obligation on leases	1,750,000	500,000	0	0
	1,750,000	500,000	0	0

Notes to the Financial Statements

12 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:

	Consolidated		Parent company	
	2020 DKK	2019 DKK	2020 DKK	2019 DKK
Credit institutions				
Between 1 and 5 years	73,534,737	85,400,000	73,534,737	85,400,000
Long-term part	73,534,737	85,400,000	73,534,737	85,400,000
Other short-term debt to credit institutions	12,000,000	8,000,000	12,000,000	8,000,000
	85,534,737	93,400,000	85,534,737	93,400,000
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	11,432,629	1,992,410	6,418,041
	12,606,085	12,485,865	1,992,410	6,418,041

Notes to the Financial Statements

	Consolidated	
	2020	2019
	DKK	DKK
13 Cash flow statement - adjustments		
Financial income	-78,601	-966
Financial expenses	3,465,332	127,633
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	215,830	-2,977
	29,163,996	803,047
14 Cash flow statement - change in working capital		
Change in receivables	-9,706,498	-42,268,324
Change in other provisions	-2,374,610	500,000
Change in trade payables, etc	11,272,417	44,901,086
	-808,691	3,132,762

Notes to the Financial Statements

15	Consolidated		Parent company	
	2020	2019	2020	2019
	DKK	DKK	DKK	DKK

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 written consent.

Rent obligations

Rental obligations, period og 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 Link Top Holding A/S and Nykredit Bank A/S.

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 P-Link 2019 A/S, 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.

Notes to the Financial Statements

16 Related parties

Basis

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Consolidated Financial Statements

Link Top Holding A/S is included in the Consolidated Financial Statements for:

<u>Name</u>	<u>Place of registered office</u>
P-Link 2019 A/S	Malmøgade 3 2100 Copenhagen, Denmark

Notes to the Financial Statements

17 Accounting Policies

The Annual Report of Link Top Holding 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.

With regards to the true and fair view of the financial statements, certain reclassifications have been made in the balance sheet and notes. Comparative figures have been adjusted accordingly.

Comparative figures for the consolidated financial statements consist of 14 days.

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, Link Top Holding 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

17 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.

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

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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.

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.

Notes to the Financial Statements

17 Accounting Policies (continued)

Income Statement

Revenue

Net sales from the sale of express and courier shipments and related transport services are recognised in the income statement if delivery and risk transfer to the buyer have taken place before the year-end.

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

Expenses for direct costs

Expenses for direct costs comprise the expenses 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 direct costs and other external expenses.

Staff expenses

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

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 comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on account taxation scheme.

Notes to the Financial Statements

17 Accounting Policies (continued)

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. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

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.

Software are measured at the lower of cost less accumulated amortisation and recoverable amount. Software are amortised over the remaining software period, however not exceeding 5-7 years.

Customer rights acquired is measured at cost less accumulated amortisation. Customer rights is amortised on a straight-line basis over its useful life, which is assessed at 7 years.

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

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

17 Accounting Policies (continued)

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.

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.

Notes to the Financial Statements

17 Accounting Policies (continued)

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.

Financial debts

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other 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

Notes to the Financial Statements

17 Accounting Policies (continued)

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.

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	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$