

C. Banzhaf Holding ApS

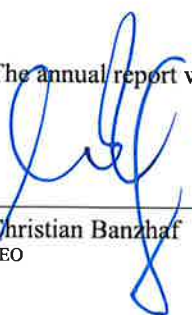
Lucernemarken 9, 3520 Farum

Company reg. no. 40 11 20 57

Annual report

1 July 2021 - 30 June 2022

The annual report was submitted and approved by the general meeting on the 29 December 2022.



Christian Banzhaf
CEO

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's statement

Today, the Managing Director has approved the annual report of C. Banzhaf Holding ApS for the financial year 1 July 2021 - 30 June 2022.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

I consider the chosen accounting policy to be appropriate, and in my 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 30 June 2022, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 July 2021 – 30 June 2022.

Further, in my opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Farum, 21 December 2022

Managing Director

Christian Banzhaf
CEO



Independent auditor's report

To the Shareholders of C. Banzhaf Holding ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of C. Banzhaf Holding ApS for the financial year 1 July 2021 to 30 June 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group the Parent Company, as well as consolidated statement of cash flows. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 June 2022, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 July 2021 - 30 June 2022 in accordance with the Danish Financial Statements Act.

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 Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and the parent company 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.

Independent auditor's report

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent company 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 consolidated financial statements and parent company financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

- 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the consolidated financial statements and the parent company 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, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 21 December 2022

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36


Michael Beuchert
State Authorised Public Accountant
mne32794


Jan Nielsen
State Authorised Public Accountant
mne9567

Company information

The company

C. Banzhaf Holding ApS
Lucernemarken 9
3520 Farum

Company reg. no. 40 11 20 57
Domicile: Farum
Financial year: 1 July 2021 - 30 June 2022

Managing Director

Christian Banzhaf, CEO

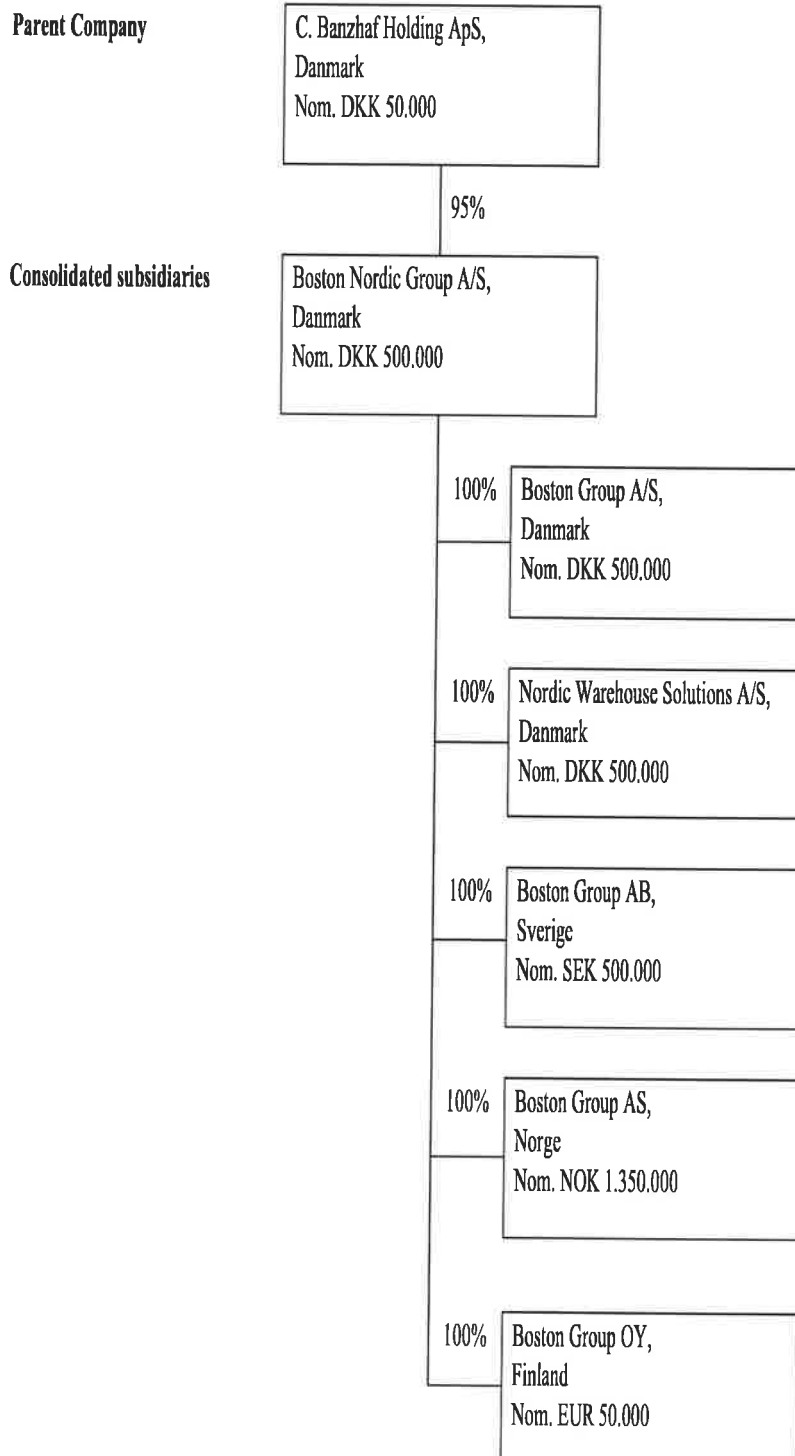
Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Subsidiary

Boston Nordic Group A/S, Farum, Denmark

Group overview



Consolidated financial highlights

DKK in thousands.	2021/22	2020/21	2019/20	2018/19
Income statement:				
Revenue	598.440	525.562	382.780	315.668
Gross profit	85.069	73.059	37.947	29.644
Profit from operating activities	67.469	59.646	27.604	20.991
Net financials	3.129	-763	-325	-408
Net profit or loss for the year	56.472	46.079	21.316	15.962
Statement of financial position:				
Balance sheet total	315.717	223.506	166.637	122.110
Investments in property, plant and equipment	72	-232	0	-919
Equity	189.068	130.404	84.517	63.422
Cash flows:				
Operating activities	20.533	-34.883	14.100	8.860
Investing activities	-45	-232	104	-4.174
Financing activities	-1.613	-111	-108	0
Total cash flows	18.876	34.540	0	0
Employees:				
Average number of full-time employees	25	22	19	16
Key figures in %:				
Gross margin ratio	14,2	13,9	9,9	9,4
Profit margin (EBIT-margin)	11,3	11,3	7,2	6,6
Solvency ratio	58,3	58,1	34,1	42,2

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Gross margin ratio $\frac{\text{Gross profit} \times 100}{\text{Revenue}}$

Profit margin (EBIT margin) $\frac{\text{Operating profit or loss (EBIT)} \times 100}{\text{Revenue}}$

Solvency ratio $\frac{\text{Equity less non-controlling interests, closing balance} \times 100}{\text{Total assets, closing balance}}$

Management's review

The principal activities of the group

Like previous years, the activities of the group are trading in consumer electronic, drones and robots etc. C. Banzhaf Holding ApS' activities comprise holding company activities.

Development in activities and financial matters

The revenue for the year totals DKK 598.440.387 against DKK 525.561.713 last year. Income or loss from ordinary activities after tax totals DKK 53.274.000 against DKK 45.564.000 last year. The consolidated result for the year 2021/22 has lived up to the expectations that were set. The Nordic subsidiaries have reached the expectations for the year. During the financial year, there was a continued focus on optimizing both costs and product range.

Management considers the net profit or loss for the year satisfactory.

Management is still working with focus on optimising both costs and product range. Several interesting new producers have been added. The development of and focus on the business within professional and commercial drones has, as expected, grown a lot and is expected to contribute to a further growth in the result for the coming year

New products

Several interesting new producers have been added. The development of and focus on the business within professional and commercial drones has, as expected, grown a lot and is expected to contribute to a further growth in the result for the coming year.

Investments

Group management does not expect any major investments in the coming financial year.

Financial resources

Group management expects that this year's credit facilities for the group will not be expanded. The budgeted cash flow for 2022/23 can be met on the basis of the current agreements in place

Expected developments

Management expects continued revenue growth as a result of continued marketing and product range optimization. In addition, management expects an increase in profit for the coming year.

Know how resources

It is essential that the group is capable of attracting and retaining competent and motivated employees. The group has in depth knowledge of its products and sales and marketing resources in the Nordics.

Events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the the group's financial position.

Corporate social responsibility report pursuant to section 99 a of the Danish Financial Statements Act

Business model and engagement

Management's review

The affiliated company

Boston Nordic Group A/S is the largest distributor of drones for commercial and private use. Drones from DJI and Parrot are a key part of our product range, which also include a range of international Consumer electronics brands and products in the categories Gaming, Headsets, Robot Vacuum Cleaners, Massage guns, Cameras, Power Stations and Gimbals.

We cooperate with our partners and resellers in the Nordics to distribute the products, and with our logistical expertise deliver the products on a day-to-day basis.

On the commercial side, we offer with our partners, drone solutions to Government institutions and companies, large and small. In addition to the drones this includes accessories and software covering specific needs to functionality and related advice and service as a full service.

As a company we are a value creating partner, who are experts within our field, We contribute with great industry specific knowledge and experience, as well as an impressive local market knowledge and network. Boston Nordic Group deliver both products, experience, network and know-how.

Environmental issues – including climate change

Policies

The group does not have a written policy on Environmental and climate conditions due to its limited size and generally little impact on these matters, However, the group considers it important to be able to contribute to an environmentally friendly society by ensuring that production etc. pollutes the environment as little as possible. As the group does not manufacture their products, they strive to commit their suppliers in these matters. The group have risks on negative impact on Environmental and Climate conditions in relation to transport and waste management.

Social issues and employee issues

Policies

The group does not have a written policy for social relations and employee relations due to its limited number of staff, however values safety and health very highly and will constantly improve and secure the workplace and ensure that employees receive the necessary training and instruction, in order to safely perform their work. The group does not have any special risks of negative impact on social and employee relations.

Human rights

Policies

The group does not have a written policy on human rights since the group only operates in the Nordics where these are generally universally accepted and promoted by legislation. The group follows at all times the applicable local rules and employee conventions in the countries where the company is operating, which is primarily in the Nordics.

The group supports the protection of internationally declared human rights.

The group does not have any special risks of negative impact in relation to Human rights.

Fighting corruption and bribery

Management's review

Policies

The group does not have a written policy, since the group only works in the Nordics, however works against all forms of corruption, including extortion and bribery.

The group support existing legislation in the area that the employees are located.

The group does not have any special risks of negative impact in relation to Anti- corruption.

Report on gender composition in management according to section 99 b of the Danish Financial Statements Act

The group respects human rights within its sphere of influence and tries to drive business in a way that makes the company an attractive employer.

In general, employees must experience an open and open-minded culture where the individual can use his skills as best as possible, regardless of gender, age and ethnic background. Both women and men have the same opportunities for careers and leadership positions.

The group's overall policy is to hire or promote the most suitable individuals regardless of gender.

The group promotes diversity and cultures within its groups of employees.

The group is a privately held and has approximately 25 employees and 1 manager director. No target figure on gender composition in management is therefore relevant

Report on the company's policy on data ethics according to section 99 d of the Danish Financial Statements Act

The roup does not process data or use algorithms for data analysis, or that this is not an integral part of the company's business strategy and business activities. Therefore the group has not drawn up a formal policy on data ethics.

Income statement 1 July - 30 June

All amounts in DKK.

Note	Group		Parent	
	2021/22	2020/21	2021/22	2020/21
1 Revenue	598.440.387	525.561.713	0	0
Other operating income	186.326	100.340	0	0
Costs of raw materials and consumables	-497.835.696	-443.055.444	0	0
Other external expenses	-15.721.665	-9.547.585	-66.591	-40.906
Gross profit	85.069.352	73.059.024	-66.591	-40.906
3 Staff costs	-16.778.174	-12.547.696	0	0
4 Depreciation, amortisation, and impairment	-822.129	-865.525	0	0
Operating profit	67.469.049	59.645.803	-66.591	-40.906
5 Income from investments in subsidiaries	0	0	54.795.551	45.224.432
Other financial income	5.042.568	1.277.245	45.808	915.040
6 Other financial expenses	-1.914.041	-2.040.524	-1.196.269	-213.206
Pre-tax net profit or loss	70.597.576	58.882.524	53.578.499	45.885.360
7 Tax on net profit or loss for the year	-14.125.658	-12.803.115	267.751	-145.404
8 Net profit or loss for the year	56.471.918	46.079.409	53.846.250	45.739.956
Break-down of the consolidated profit or loss:				
Shareholders in C. Banzhaf Holding ApS	53.846.250	45.739.958		
Non-controlling interests	2.625.668	339.451		
	56.471.918	46.079.409		

Balance sheet at 30 June

All amounts in DKK.

Note	Group		Parent		
	2022	2021	2022	2021	
Assets					
Non-current assets					
9	Goodwill	1.271.830	1.904.277	0	0
	Total intangible assets	1.271.830	1.904.277	0	0
10	Other fixtures and fittings, tools and equipment	344.763	634.451	0	0
	Total property, plant, and equipment	344.763	634.451	0	0
11	Investments in subsidiaries	0	0	97.486.405	79.842.862
12	Deposits	416.073	407.993	0	0
	Total investments	416.073	407.993	97.486.405	79.842.862
	Total non-current assets	2.032.666	2.946.721	97.486.405	79.842.862
Current assets					
	Goods for resale	116.212.621	75.784.564	0	0
	Prepayments for goods	6.309.353	0	0	0
	Total inventories	122.521.974	75.784.564	0	0
	Trade receivables	90.566.860	65.913.707	0	0
	Income tax receivables	0	1.312	0	0
	Tax receivables from subsidiaries	0	0	267.751	0
	Other receivables	6.633.734	2.576.230	4.445.808	0
13	Prepayments	274.718	1.472.167	0	0
	Total receivables	97.475.312	69.963.416	4.713.559	0
14	Other financial investments	901.907	1.188.272	901.907	1.188.272
	Total investments	901.907	1.188.272	901.907	1.188.272
	Cash and cash equivalents	92.785.462	73.623.173	81.018.607	49.108.103
	Total current assets	313.684.655	220.559.425	86.634.073	50.296.375
	Total assets	315.717.321	223.506.146	184.120.478	130.139.237

Balance sheet at 30 June

All amounts in DKK.

Note	Group		Parent		
	2022	2021	2022	2021	
Equity and liabilities					
Equity					
15	Contributed capital	50.000	50.000	50.000	50.000
	Reserve for net revaluation according to the equity method	0	0	53.809.920	32.174.236
	Retained earnings	183.887.574	113.850.091	120.077.655	97.619.097
	Proposed dividend for the financial year	0	16.056.948	10.000.000	113.000
	Equity before non-controlling interest.	183.937.574	129.957.039	183.937.575	129.956.333
	Non-controlling interests	5.130.863	447.364	0	0
	Total equity	189.068.437	130.404.403	183.937.575	129.956.333
Provisions					
16	Provisions for deferred tax	144.936	156.384	0	0
17	Other provisions	4.667.234	9.086.213	0	0
	Total provisions	4.812.170	9.242.597	0	0

Balance sheet at 30 June

All amounts in DKK.

Note	Group		Parent		
	2022	2021	2022	2021	
Equity and liabilities					
Liabilities other than provisions					
	Bank loans	19.239.528	11.397.184	0	0
18	Trade payables	57.641.395	44.136.465	37.499	37.500
	Payables to subsidiaries	0	0	145.404	0
19	Income tax payable	11.578.811	10.556.138	0	0
20	Income tax payable to subsidiaries	0	0	0	145.404
	Other payables	32.912.414	17.406.805	0	0
21	Deferred income	464.566	362.554	0	0
	Total short term liabilities other than provisions	121.836.714	83.859.146	182.903	182.904
	Total liabilities other than provisions	121.836.714	83.859.146	182.903	182.904
	Total equity and liabilities	315.717.321	223.506.146	184.120.478	130.139.237

2 Fees, auditor**22 Charges and security****23 Contingencies****24 Related parties**

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Non-controlling interests	Total
Equity 1 2021	50.000	113.850.091	16.056.948	447.364	130.404.403
Distributed dividend	0	0	-16.056.948	0	-16.056.948
Retained earnings for the year	0	69.590.119	0	2.625.668	72.215.787
Non-controlling interests adjustments	0	0	0	2.492.143	2.492.143
Foreign currency translation adjustments	0	0	0	13.052	13.052
Buy-back of shares	0	447.364	0	-447.364	0
	50.000	183.887.574	0	5.130.863	189.068.437

Statement of changes in equity of the parent

All amounts in DKK.

	Contributed capital	Reserve for net revalua-tion according to the eq-uity method	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 July 2021	50.000	32.174.236	97.619.097	113.000	129.956.333
Distributed dividend	0	0	0	-113.000	-113.000
Share of profit or loss	0	49.887.692	-6.041.442	10.000.000	53.846.250
Foreign currency translation adjustments	0	247.992	0	0	247.992
Distributed dividend	0	-28.500.000	28.500.000	0	0
	50.000	53.809.920	120.077.655	10.000.000	183.937.575

Statement of cash flows 1 July - 30 June

All amounts in DKK.

Note	Group	
	2021/22	2020/21
Net profit or loss for the year	56.471.918	46.079.409
25 Adjustments	11.330.402	13.267.429
26 Change in working capital	-50.397.396	-23.700.073
Cash flows from operating activities before net financials	17.404.924	35.646.765
Interest received, etc.	5.042.568	1.277.245
Interest paid, etc.	-1.914.041	-2.040.529
Cash flows from ordinary activities	0	0
Cash flows from operating activities	20.533.451	34.883.481
Purchase of property, plant, and equipment	-72.285	-232.476
Sale of property, plant, and equipment	184.818	7.840
Purchase of fixed asset investments	-157.060	-7.824
Cash flows from investment activities	-44.527	-232.460
Dividend paid	-1.613.000	-110.600
Cash flows from investment activities	-1.613.000	-110.600
Change in cash and cash equivalents	18.875.924	34.540.421
Cash and cash equivalents at 1 July 2021	74.811.445	40.271.024
Cash and cash equivalents at 30 June 2022	93.687.369	74.811.445
Cash and cash equivalents		
Cash and cash equivalents	92.785.462	73.623.173
Other financial instruments	901.907	1.188.272
Cash and cash equivalents at 30 June 2022	93.687.369	74.811.445

Notes

All amounts in DKK.

	Group		Parent	
	2021/22	2020/21	2021/22	2020/21
1. Revenue				
Revenue, 3rd parties	598.440.387	525.561.713	0	0
	598.440.387	525.561.713	0	0

Segmental statement

Geographical – secondary segment:

	Finland	Sweden	Norway	Denmark	Total
Group (TDKK)	144.569	164.575	150.578	138.718	598.440

2. Fees, auditor

Total remuneration for Grant
Thornton and Thorvald Rein,
State Authotised Public

Accountants	343.000	235.100	62.500	37.500
Remuneration related to statutory audit	236.000	166.375	47.500	31.875
Tax-related consulting	6.000	34.200	0	0
Other services	101.000	34.525	15.000	5.625
	343.000	235.100	62.500	37.500

Total remuneration for Other
State Authotised Public

Accountants	133.942	103.813	0	0
Remuneration related to statutory audit	84.693	78.313	0	0
Tax-related consulting	6.652	2.216	0	0
Other services	42.597	23.284	0	0
	133.942	103.813	0	0

Notes

All amounts in DKK.

	Group		Parent	
	2021/22	2020/21	2021/22	2020/21
3. Staff costs				
Salaries and wages	14.400.433	10.884.792	0	0
Pension costs	1.648.606	1.076.280	0	0
Other costs for social security	729.135	586.624	0	0
	16.778.174	12.547.696	0	0
Executive board and board of directors	1.303.112	1.164.148	0	0
Average number of employees	25	22	0	0
	Group		Parent	
	2021/22	2020/21	2021/22	2020/21
4. Depreciation, amortisation, and impairment				
Amortisation of consolidated goodwill	632.447	632.447	0	0
Depreciation of other fixtures and fittings, tools and equipment	169.681	193.903	0	0
Depreciation of leased assets	20.001	39.175	0	0
	822.129	865.525	0	0
5. Income from investments in subsidiaries				
Income from subsidiaries	0	0	54.795.551	45.224.432
	0	0	54.795.551	45.224.432
6. Other financial expenses				
Other financial costs	1.914.041	2.040.524	1.196.269	213.206
	1.914.041	2.040.524	1.196.269	213.206

Notes

All amounts in DKK.

7. Tax on net profit or loss for the year

Tax on net profit or loss for the year	14.137.106	12.770.226	-267.751	145.404
Adjustment of deferred tax for the year	-11.448	32.889	0	0
	<u>14.125.658</u>	<u>12.803.115</u>	<u>-267.751</u>	<u>145.404</u>

8. Proposed appropriation of net profit

	Parent	
	2021/22	2020/21
Reserves for net revaluation according to the equity method	49.887.692	45.224.432
Dividend for the financial year	10.000.000	113.000
Transferred to retained earnings	0	402.524
Allocated from retained earnings	-6.041.442	0
Total allocations and transfers	<u>53.846.250</u>	<u>45.739.956</u>

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
9. Goodwill				
Cost 1 July 2021	3.171.181	3.171.181	0	0
Cost 30 June 2022	<u>3.171.181</u>	<u>3.171.181</u>	<u>0</u>	<u>0</u>
Amortisation and writedown 1 July 2021	-1.266.904	-634.457	0	0
Amortisation and depreciation for the year	-632.447	-632.447	0	0
Amortisation and writedown 30 June 2022	<u>-1.899.351</u>	<u>-1.266.904</u>	<u>0</u>	<u>0</u>
Carrying amount, 30 June 2022	<u>1.271.830</u>	<u>1.904.277</u>	<u>0</u>	<u>0</u>

Notes

All amounts in DKK.

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
10. Other fixtures and fittings, tools and equipment				
Cost 1 July 2021	4.407.239	4.174.763	0	0
Additions during the year	72.285	232.476	0	0
Disposals during the year	-210.076	0	0	0
Cost 30 June 2022	4.269.448	4.407.239	0	0
Depreciation and writedown 1 July 2021	-3.772.788	-3.539.711	0	0
Translation at the exchange rate at the balance sheet date 30 June 2022	4.678	0	0	0
Amortisation and depreciation for the year	-189.842	-233.077	0	0
Depreciation, amortisation and impairment loss for the year, assets disposed of	33.267	0	0	0
Depreciation and writedown 30 June 2022	-3.924.685	-3.772.788	0	0
Carrying amount, 30 June 2022	344.763	634.451	0	0

Notes

All amounts in DKK.

	Parent	
	30/6 2022	30/6 2021
11. Investments in subsidiaries		
Cost 1 July 2021	47.668.626	47.668.626
Disposals during the year	-3.992.141	0
Cost 30 June 2022	43.676.485	47.668.626
Revaluations, opening balance 1 July 2021	32.174.236	8.914.420
Net profit or loss for the year before amortisation of goodwill	49.887.692	45.259.816
Dividend	-28.500.000	-22.000.000
Group contribution	247.992	0
Revaluation 30 June 2022	53.809.920	32.174.236
Carrying amount, 30 June 2022	97.486.405	79.842.862

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, C. Banzhaf Holding ApS
Boston Nordic Group A/S, Farum, Denmark	95 %	102.617.268	53.513.360	97.486.405
		102.617.268	53.513.360	97.486.405

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
12. Deposits				
Cost 1 July 2021	415.249	415.249	0	0
Additions during the year	8.080	0	0	0
Cost 30 June 2022	423.329	415.249	0	0
Nedskrivninger 1 July 2021	-7.256	-7.256	0	0
Nedskrivninger 30 June 2022	-7.256	-7.256	0	0
Carrying amount, 30 June 2022	416.073	407.993	0	0

Notes

All amounts in DKK.

13. Prepayments

Other prepayments	<u>274.718</u>	<u>1.472.167</u>	<u>0</u>	<u>0</u>
	<u>274.718</u>	<u>1.472.167</u>	<u>0</u>	<u>0</u>

Prepayments consists of prepayments for insurance and other subscriptions.

14. Other financial investments

Other financial instruments and equity investments	<u>901.907</u>	<u>1.188.272</u>	<u>901.907</u>	<u>1.188.272</u>
	<u>901.907</u>	<u>1.188.272</u>	<u>901.907</u>	<u>1.188.272</u>

Other financial investments include listed securities.

Market value adjustments of other financial investments in the income statement amounts to kr. -804,107

Market value are based on the last known price listed on the stock exchange on the balance sheet date.

Notes

All amounts in DKK.

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
15. Contributed capital				
Contributed capital 1 July 2021	50.000	50.000	50.000	50.000
	50.000	50.000	50.000	50.000

The capital consists of 50.000 shares that have a nominal value of 1,000 kr. each. No shares carries any special rights. No changes occurred in the last 4 years.

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
16. Provisions for deferred tax				
Provisions for deferred tax 1 July 2021	156.384	123.495	0	0
Deferred tax relating to the net profit or loss for the year	-11.448	32.889	0	0
	144.936	156.384	0	0

17. Other provisions				
Provisions for group enterprises	9.086.213	10.194.185	0	0
Change in other provisions for the year	-4.418.979	-1.107.972	0	0
	4.667.234	9.086.213	0	0
Maturity is expected to be:				
1-5 years	4.667.234	9.086.213	0	0
	4.667.234	9.086.213	0	0

Boston Group A/S provides warranties on some of its products and is therefore obliged to repair or replace goods which are not satisfactory. Based on previous experience in respect of the level of repairs and returns, other provisions of DKK 4,667,234 have been recognised for expected warranty claims.

Provision for returned goods DKK 3,566,322

Provision for complaints DKK 1,100,912

Notes

All amounts in DKK.

	Group		Parent	
	30/6 2022	30/6 2021	30/6 2022	30/6 2021
18. Trade payables				
Trade payables	57.603.894	44.136.465	0	0
Provisions for auditor, solicitor, etc.	37.500	0	37.500	37.500
	57.641.395	44.136.465	37.499	37.500
19. Income tax payable				
Income tax receivables 1 July 2021	11.578.811	10.556.138	0	0
	11.578.811	10.556.138	0	0
20. Income tax payable to subsidiaries				
Short-term tax payables to group enterprises	0	0	0	145.404
	0	0	0	145.404
21. Deferred income				
Accruals and deferred income	464.566	362.554	0	0
	464.566	362.554	0	0
22. Charges and security				
Boston Nordic Group A/S has opposite Nordea A/S given a surety bond of DKK 31,143 thousand for the engagement with Nordea A/S, which Boston Group A/S, Boston Group AB and Boston Group AS.				
Boston Nordic Group A/S has opposite Nordea A/S given a retirement statement about the balance of DKK 3,000 thousand, which the company has to Boston Group A/S.				

Notes

All amounts in DKK.

22. Charges and security (continued)

Boston Group A/S has provided a floating charge of DKK 15,000 thousand over the company's simple claims as security for company's bank commitments. The company has provided a floating charge of DKK 5,000 thousand over the company's simple claims and inventory as security for company's bank commitments. The carrying amount hereof was at 30 June 2022;

	DKK in thousands
Inventories	116.213
Trade receivables	14.870

Boston Group has provided a guarantee for Boston Nordic Group A/S, Boston Group AB (Sweden) and Boston Group AS (Norway) involvements with Nordea Bank.

Boston Group AB has provided security in its movable property and debtors DKK 10,860 thousand.

Boston Group AB has provided security in its movable property and debtors DKK 11,946 thousand.

23. Contingencies

Contingent liabilities

	DKK in thousands
Lease liabilities	79.900
Rent liabilities	814.147
Total contingent liabilities	894.047

Lease liabilities

In addition to finance leases, Boston Group A/S has entered into operational leases. The leases have 3 months to maturity and total outstanding lease payments total DKK 79,900.

Boston Group A/S has a rent obligation, which is irrevocable up to 31 December 2021 after which the notice period is 12 month.

Joint taxation

With Boston Nordic Group A/S, company reg. no 13907277 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Notes

All amounts in DKK.

23. Contingencies (continued)

Joint taxation (continued)

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

24. Related parties

Controlling interest

Christian Banzhaf

Majority shareholder

Boston Nordic Group A/S

Subsidiary

Transactions

The company has the following related party transactions:

	Group 2021/22	Parent 2021/22
	<u> </u>	<u> </u>
The sale of goods to group companies	0	0
Interest income loan to group companies	0	0
Interest expense loan from group companies	0	0
Receivable from group companies	0	0
Payables to group companies	0	145.404

The Company solely discloses related party transactions that have not been carried out on an arm's length basis cf. section 98c (7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

Notes

All amounts in DKK.

	Group	
	2021/22	2020/21
25. Adjustments		
Impairment of current assets	822.129	865.525
Income from investments in subsidiaries	-915.716	0
Other financial income	-134.709	-1.277.245
Other financial expenses	1.914.041	2.040.524
Tax on net profit or loss for the year	14.125.658	12.803.115
Other provisions	-4.430.427	-1.107.972
Other adjustments	-50.574	-56.518
	11.330.402	13.267.429
26. Change in working capital		
Change in inventories	-46.737.409	-48.954.342
Change in receivables	-27.511.896	25.855.072
Change in trade payables and other payables	23.851.909	-600.803
	-50.397.396	-23.700.073

Accounting policies

The annual report for C. Banzhaf Holding ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (large enterprises).

The consolidated financial statements

The consolidated income statements comprise the parent company C. Banzhaf Holding ApS and those group enterprises of which C. Banzhaf Holding ApS directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' market value of net assets and liabilities at the acquisition date.

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

Purchases and sales of minority interests under continuing control are recognised directly in equity as a transaction between shareholders.

Investments in associates are measured in the statement of financial position at the proportionate share of the enterprises' equity value i calculated in accordance with the parent company's accounting policies and with proportionate elimination of unrealised intercompany gains and losses. In the income statement, the proportional share of the associates' results is recognised after elimination of the proportional share of intercompany gains and losses.

The group activities in joint operations are recognised in the consolidated financial statements record by record.

Non-controlling interests

Non-controlling interests constitute a share of the group's total equity. By distribution of net profit, profit or loss for the year is distributed on the share attributable to the non-controlling interests and the share attributable to the parent's shareholders respectively.

Income statement

Revenue

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Accounting policies

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income

Other external expenses

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in subsidiaries

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual subsidiaries are recognised in the income statement of the parent as a proportional share of the subsidiaries' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises.

Accounting policies

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

Accounting policies

All leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The group's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Investments

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

Investments in subsidiaries with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover a negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Accounting policies

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Accounting policies

Financial instruments and equity investments

Financial instruments and equity investments recognised under current assets consist of listed shares and bonds which are measured at fair value on the reporting date. Unlisted equity investments are measured at cost. Writedown takes place to the recoverable amount if this value is lower than the carrying amount.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve cannot be recognised by a negative amount.

Reserve for foreign currency translation

The reserve for foreign currency translation arises when translating accounting items in foreign currency.

The reserve is distributable.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

According to the rules of joint taxation, C. Banzhaf Holding ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Accounting policies

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Provisions

Provisions comprise expected costs of warranty commitments, restructuring, etc. Provisions are recognised when the group has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the group.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. Provisions for warranty commitments are measured on basis of the obtained experience with guarantee work. Provisions with an expected due date later than 1 year from the reporting date are discounted at a rate reflecting risk and maturity of the liability.

Liabilities other than provisions

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Deferred income

Payments received concerning future income are recognised under deferred income.

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

Cash flows from operating activities

Cash flows from operating activities are calculated as the group's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under "Interest income and dividend received".

Accounting policies

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and shortterm financial instruments with a term of less than 3 months, which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.

Segmental statement

Information on activity and geographical markets is provided. The segmental statement complies with the consolidated accounting policies, risks, and management control systems of the company.

Assets in the segment comprise the assets used directly in the segment's revenue-generating activity.

Segment liabilities comprise liabilities derived from the segment's operations, including accounts payable and other liabilities.