



Ball Group Holding ApS

Kløvermarken 29
7190 Billund
CVR No. 40298568

Annual report 2020

The Annual General Meeting adopted the
annual report on 22.06.2021

Kuno Kildetoft Mehlsen

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management on the annual report	3
Independent auditor's report	4
Management commentary	7
Consolidated income statement for 2020	14
Consolidated balance sheet at 31.12.2020	15
Consolidated statement of changes in equity for 2020	17
Consolidated cash flow statement for 2020	18
Notes to consolidated financial statements	20
Parent income statement for 2020	25
Parent balance sheet at 31.12.2020	26
Parent statement of changes in equity for 2020	28
Notes to parent financial statements	29
Accounting policies	31

Entity details

Entity

Ball Group Holding ApS

Kløvermarken 29

7190 Billund

Business Registration No.: 40298568

Registered office: Billund

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Stefan Andreas Walter Happak

Joachim Horst Scholz

Executive Board

Kuno Kildetoft Mehlsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Ball Group Holding ApS for the financial year 01.01.2020 - 31.12.2020

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Billund, 28.01.2021

Executive Board

Kuno Kildetoft Mehlsen

Board of Directors

Stefan Andreas Walter Happak

Joachim Horst Scholz

Independent auditor's report

To the shareholders of Ball Group Holding ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Ball Group Holding ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 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 consolidated financial statements and the parent 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 Entity'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 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 Entity'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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

Kolding, 28.01.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Dam Østergaard

State Authorised Public Accountant
Identification No (MNE) mne34501

Management commentary

Financial highlights

	2020 DKK'000	2019 DKK'000
Key figures		
Revenue	657,952	541,529
Gross profit/loss	253,858	197,331
Operating profit/loss	8,736	12,479
Net financials	(9,251)	(2,429)
Profit/loss for the year	3,413	8,503
Balance sheet total	376,719	389,752
Investments in property, plant and equipment	13,907	61,100
Equity	101,066	102,084
Average numbers of employees	476	530
Cash flows from operating activities	62,487	39,112
Cash flows from investing activities	(12,029)	(19,485)
Cash flows from financing activities	(8,326)	56,243
Ratios		
Gross margin (%)	38.58	36.44
EBIT margin (%)	1.33	2.30
Net margin (%)	0.52	1.57
Equity ratio (%)	26.83	26.19

Figures for 2019 only include the period 27.02.2019 - 31.12.2019 and is therefore not comparable.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

Gross profit/loss * 100

Revenue

EBIT margin (%):

Operating profit/loss * 100

Revenue

Net margin (%):

Profit/loss for the year * 100

Revenue

Equity ratio (%):

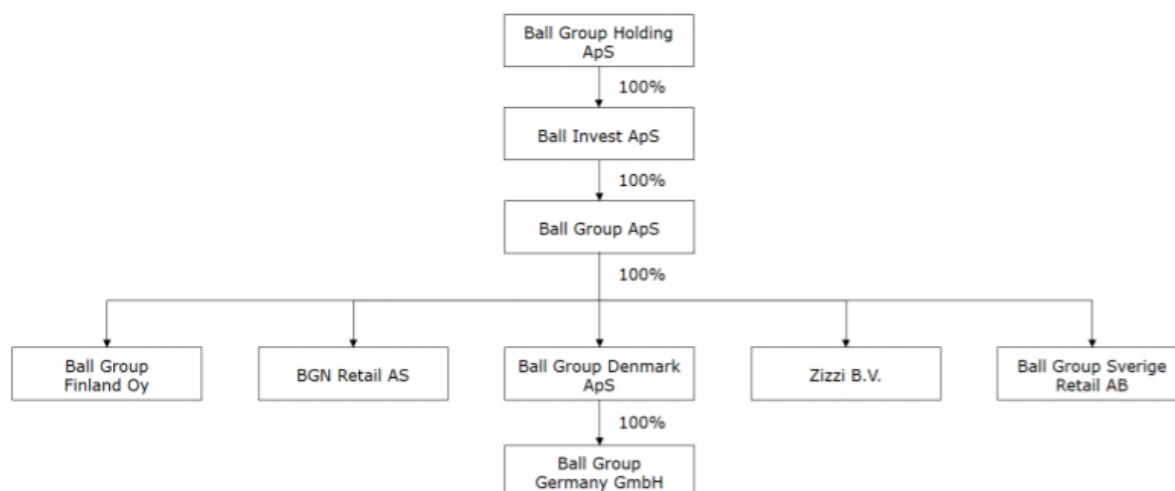
Equity * 100

Balance sheet total

Primary activities

The Parent and Group's main objective is to develop, source and market clothing for plus size women.

Group chart



Development in activities and finances

By managing the COVID-19 pandemic in Ball Group, a significant number of non-recurring costs have impacted the financial performance. Normalized EBITDA for the operating entities included in the sub-group Ball Group ApS and subsidiaries on a consolidated basis, consequently lands at DKK 41 million in 2020, which is a decrease of 31% compared to 2019.

Normalized Result	2020	2019	Index
	DKK'000	DKK'000	
Revenue	657.952	711.452	92
EBITDA	21.918	48.726	45
Non-recurring Costs	-18.872	-10.818	
EBITDA Normalized	40.790	59.544	69

Please note that figures for Ball Invest ApS and Ball Group Holding ApS are not included since the figures are mentioned in order to reflect the development in ordinary business activities at Ball Group ApS-level.

The result of the year is negative impacted by the changes in market conditions and the general lockdown in most of our markets related to COVID-19. Ball Group operates on multiple business channels and have been able to grow online channels while the general lockdown negatively affected sales in own stores and traditional wholesale order intake.

Ball Group has used the conditions of 2020 to increase focus on further digitalization and will invest significantly in this transformation in the coming years. Meanwhile, the retail store portfolio is undergoing optimization and several leases have been terminated. The effect from this on the financial statements for 2020 is negative and the effect is considered significant, as mentioned above.

Following the initial outbreak of COVID-19 in March 2020, Ball Group secured an extension of their credit facilities through the Groups main bank to secure provisional funding. The extension of credit lines has proven to be

sufficient and the financial state is healthy.

The net result for Ball Group Holding ApS (Parent) is positively impacted by adjustment of a provision related to the change in ownership in 2019, from the equity fund Axcel to our current owners, Findos Investor GmbH. The positive effect of DKK 55 million is recognized under other operating income.

Given the market circumstances of 2020, the financial result is satisfactory.

Profit/loss for the year in relation to expected developments

Prior to COVID-19 it was expected to continue the positive development in revenue and earnings from the previous year. Due to COVID-19 this was not possible, and thus the effect from COVID-19 is considered significant.

Uncertainty relating to recognition and measurement

In regard to recognition and measurement for the financial year, no significant uncertainty has been identified.

Unusual circumstances affecting recognition and measurement

Apart from the unusual market conditions caused by the COVID-19 pandemic, no further matters are affecting recognition and measurement.

Outlook

At the time of this annual report, the COVID-19 pandemic is again causing a general lockdown in many of our markets. Given the inherent uncertainty therein, it is not possible for Group Management to quantify in detail the full effect it will have for the financial year 2021. However, if the general lockdown continues well into the financial year, it will have a substantial impact on revenue and earnings. Expectations are similar to the achieved results in 2020. The Parent (and consequently Group) is not expected to be impacted by other operating income like in 2020.

Particular risks

Business risks

The primary business risks for the Group relates to uphold and develop its business activities in a progressive fashion to ensure continued success in an internationally competitive market.

The Board of Directors must reassure a continuous monitoring of the development in the market in order to reduce the business risks, as well as strengthen its competitive position on crucial parameters.

Credit risks

Credit risks are related to debtors who receive deliveries according to the Group's normal trade terms. The priority of the Group's debtors is insured via credit insurance and/or bank guarantees, under continuous control and risk assessment of level credit.

Use of financial instruments

The Group will as always be exposed to currency risks. A considerable part of the is carried out in foreign currency and will be affected by currency and interest development on the used currencies. This goes for activities carried out between foreign group companies, suppliers and customers.

The Group's currency policy is using a layered hedging approach in order to minimize the risks in transactions with foreign exchange. The policy has in the financial year proven to be correct and will be continued unchanged

during the coming financial year.

Knowledge resources

It is essential for the Group to maintain the ability to attract, develop and retain quality members of staff with a high level of competence. The presence of quality knowledge and knowhow in each level of staff will be obtained by thorough recruitment and a continuous development of the existing staff and their competences.

Staff

Development within the members of staff can be illustrated as below:

	Beginning of year	End of year
Denmark	295	267
Other countries	235	208
# Employees	530	475

Please note that the figure for Denmark reflect employees in Ball Group Denmark ApS whereas the total reflects employees in Ball Group ApS on a consolidated basis.

Environmental performance

Please refer to the paragraph "Statutory report on corporate social responsibility" below.

Research and development activities

In line with the laid-out group strategy, investments will be made in the ongoing development of the business platform, as well as the development of all distribution channels across the Scandinavian and Central European markets.

As so, a growth in revenue and profit is expected for the years to come, driven by better performance and development of the e-commerce channel, optimization of the concept store portfolio and development of the partnering with third party online customers.

Statutory report on corporate social responsibility

The Group monitors relevant relations towards social responsibilities, including employee relations, environmental issues and anti-corruption.

During the financial year, the Group focused on the following areas of social responsibility:

- The CSR committee ´s work, including the choice of focus areas in 2020 in relation to the CSR strategy
- Testing of Chemicals in finished products
- Supplier audits in line human and labor right
- Adherence to policy on animal welfare
- Supplier audits in line with environmental laws
- Objectives and policies for gender composition in the supreme governing body, cf. S. 99b of the Danish Financial Statements Act
- Objectives and goals for 2020

As a member of UN Global Compact, the Group issues a progression report concerning the CSR work performed by the Group. For further information regarding the work of Ball Group relating to social responsibilities reference is made to this report. The report is published on the following link:

<https://www.ball-group.com/financial-reports>.

Statutory report on the underrepresented gender

Reference is made to the progression report concerning CSR, which is published on the following link:

<https://www.ball-group.com/financial-reports>.

Statutory report on corporate governance

Ball Group's Board and directors will at any time secure that the group management structure and internal controls are appropriate and work satisfactorily.

The basis for the organization of tasks handled by the Board and the directors includes the Companies Act, the Financial Statements Act, the Company's articles of association and good practices for companies of the same size and same international reach as Ball Group. Under this, the Company - due to its status as a capital funded company adheres to the guidelines for responsible ownership and corporate governance. On this basis, a number of internal procedures are being developed and maintained to ensure active, safe and profitable management of the Group.

Proposals for active ownership and corporate governance of equity funds

In 2011 the Danish Venture and Private Equity Association published updated guidelines for responsible ownership and corporate governance for equity funds and their controlled companies.

The recommendations concern the guidelines regarding corporate governance, social responsibilities, risk assessments, employments policy and strategy. These matters are discussed in the Management's Review. As a private equity fund owned company, Ball Group must either follow these recommendations or explain why these are not partly or fully followed.

Management will in general follow the guidelines and recommendations. For further information on the mentioned recommendations reference is made to www.dvca.dk

Shareholders' conditions

The capital structure of the Group will always be monitored by the Board and kept with the expectations from the Board and the interests of the Group. The main goal is always to have capital structure that supports and underlines continuous profitable growth.

The Group's articles of association contain no limits towards ownership or the right to vote. Ball Group's unit capital consists solely of one asset class.

Capital fund TopCo 26 FIII Holding GmbH is the largest indirect shareholder of Ball Group and have a controlling influence in the Group.

The work of the Board of Directors

The Board overlooks the work of the directors ensuring that approved goals, strategies and business processes are kept. Information from Management is done systematically during meetings and by on-going reporting. The reporting contains information on market developments, group development and profitability.

Risk assessments

The management ensures effective risk assessment and internal audit reduce strategic and business risk, securing compliance with laws and regulations, to ensure an effective basis for management decision.

The strategic choices of Ball Group lead to natural risks, which are essential to identify and be communicated out and handled effectively. Internal audit and effective risk assessments are vital for the Board and executives to carry out tasks expected by the governing bodies.

Financial reporting process

Management on behalf of the Board and the directors handles the overall responsibility of the Group's risk assessments and internal audits in relation to financial reporting process. Organizational structure, policies, procedures and audits in relation to financial reporting process undergo continuous evaluation by the Executive Board.

Ball Group has established a group reporting process, including a monthly reporting, consisting of full income report, balance sheet and cash flow, follow-up to budget, valuation on KPI performances and achievement of agreed target for each business unit.

Management remuneration

To attract and maintain management competencies, the remuneration of executive management and senior executives is determined by taking into account work tasks, value creation and terms in comparable companies. Incentive pay has been used for executive management and senior executives in the form of bonus schemes, as well as a contingent and warrant-based incentive program for the Board, Executive Board and senior executives.

The Board of Directors and the Executive Board's shareholding

At the end of the financial year, the Board of Directors and the Executive Board have no indirect shareholding in the company.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Revenue	1	657,952	541,529
Other operating income	2	66,938	0
Cost of sales		(298,034)	(227,410)
Other external expenses	3	(172,998)	(116,788)
Gross profit/loss		253,858	197,331
Staff costs	4	(176,687)	(152,707)
Depreciation, amortisation and impairment losses		(68,435)	(32,145)
Operating profit/loss		8,736	12,479
Other financial income		1,224	4,221
Other financial expenses	5	(10,475)	(6,650)
Profit/loss before tax		(515)	10,050
Tax on profit/loss for the year		3,928	(1,547)
Profit/loss for the year	6	3,413	8,503

Consolidated balance sheet at 31.12.2020

Assets

	Notes	2020 DKK'000	2019 DKK'000
Acquired rights		5,982	8,775
Goodwill		124,740	159,457
Intangible assets	7	130,722	168,232
Other fixtures and fittings, tools and equipment		27,626	42,430
Leasehold improvements		2,313	6,232
Property, plant and equipment	8	29,939	48,662
Deposits		9,245	9,418
Financial assets	9	9,245	9,418
Fixed assets		169,906	226,312
Manufactured goods and goods for resale		48,868	47,143
Inventories		48,868	47,143
Trade receivables		12,919	25,620
Deferred tax	10	9,543	5,575
Other receivables		5,682	2,086
Prepayments	11	11,799	7,146
Receivables		39,943	40,427
Cash		118,002	75,870
Current assets		206,813	163,440
Assets		376,719	389,752

Equity and liabilities

	Notes	2020 DKK'000	2019 DKK'000
Contributed capital		100	100
Retained earnings		100,966	101,984
Equity		101,066	102,084
Deferred tax	10	0	156
Other provisions	12	4,872	0
Provisions		4,872	156
Bank loans		41,667	0
Other payables		9,081	52,250
Non-current liabilities other than provisions	13	50,748	52,250
Current portion of non-current liabilities other than provisions	13	8,333	0
Bank loans		2,236	12,285
Trade payables		30,197	23,892
Payables to group enterprises		113,608	111,885
Tax payable		1,072	3,530
Other payables		64,587	83,670
Current liabilities other than provisions		220,033	235,262
Liabilities other than provisions		270,781	287,512
Equity and liabilities		376,719	389,752
Financial instruments	15		
Unrecognised rental and lease commitments	16		
Contingent liabilities	17		
Assets charged and collateral	18		
Transactions with related parties	19		
Subsidiaries	20		

Consolidated statement of changes in equity for 2020

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	100	101,984	102,084
Exchange rate adjustments	0	(991)	(991)
Fair value adjustments of hedging instruments	0	(3,440)	(3,440)
Profit/loss for the year	0	3,413	3,413
Equity end of year	100	100,966	101,066

Consolidated cash flow statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Operating profit/loss		8,736	12,479
Amortisation, depreciation and impairment losses		68,435	32,305
Working capital changes	14	1,654	128,682
Adjustments regarding Group establishment		0	(126,372)
Cash flow from ordinary operating activities		78,825	47,094
Financial income received		1,224	4,223
Financial expenses paid		(10,475)	(6,650)
Taxes refunded/(paid)		(2,654)	(3,436)
Other cash flows from operating activities		(4,433)	(2,119)
Cash flows from operating activities		62,487	39,112
Acquisition etc. of intangible assets		0	(262)
Sale of intangible assets		487	0
Acquisition etc. of property, plant and equipment		(13,907)	(19,888)
Sale of property, plant and equipment		1,218	665
Sale of fixed asset investments		173	0
Cash flows from investing activities		(12,029)	(19,485)
Free cash flows generated from operations and investments before financing		50,458	19,627
Loans raised		0	4,147
Repayments of loans etc.		(10,049)	(59,789)
Incurrence of debt to group enterprises		1,723	111,785
Injection of share capital		0	100
Cash flows from financing activities		(8,326)	56,243
Increase/decrease in cash and cash equivalents		42,132	75,870

Cash and cash equivalents beginning of year	75,870	0
Cash and cash equivalents end of year	118,002	75,870

Cash and cash equivalents at year-end are composed of:

Cash	118,002	75,870
Cash and cash equivalents end of year	118,002	75,870

Notes to consolidated financial statements

1 Revenue

	2020 DKK'000	2019 DKK'000
Denmark	240,711	206,294
Norway	120,133	110,210
Rest of Europe	297,108	225,025
Total revenue by geographical market	657,952	541,529

The company and group only have one activity from sale of clothes.

2 Other operating income

Other operating income consists of compensation received under the aid packages made available by the governments in the countries where the group have operating entities.

Beside income from aid packages other operating income also consists of an adjustment of a provision related to the change in ownership in 2019, from the equity fund Axcel to our current owners, Findos Investor GmbH. The positive effect is DKK 55 million.

3 Fees to the auditor appointed by the Annual General Meeting

	2020 DKK'000	2019 DKK'000
Statutory audit services	400	324
Other assurance engagements	401	319
Tax services	707	276
Other services	167	276
	1,675	1,195

4 Staff costs

	2020 DKK'000	2019 DKK'000
Wages and salaries	161,129	139,261
Pension costs	3,667	3,169
Other social security costs	8,516	7,360
Other staff costs	3,375	2,917
	176,687	152,707
Average number of full-time employees	472	530

Special incentive programmes

In order to strengthen Management and certain leading employees' interest in the long-term value creation of the group, a total of 1,193,657,879 warrants have been issued. The warrants each give the right to subscription of a new share in Ball Invest ApS at an exercise price of DKK 0.01. The warrants are granted over a period of time and subject to the warrant holders continued employment in the Group. Warrants previously issued in earlier years have been settled.

Remuneration of the Executive Board is not disclosed with reference to S. 98(3) of the Danish Financial Statements Act.

5 Other financial expenses

	2020 DKK'000	2019 DKK'000
Financial expenses from group enterprises	2,439	1,548
Other interest expenses	8,036	5,102
	10,475	6,650

6 Proposed distribution of profit/loss

	2020 DKK'000	2019 DKK'000
Retained earnings	3,413	8,503
	3,413	8,503

7 Intangible assets

	Acquired rights DKK'000	Goodwill DKK'000
Cost beginning of year	9,832	178,267
Exchange rate adjustments	(153)	0
Disposals	(1,362)	0
Cost end of year	8,317	178,267
Amortisation and impairment losses beginning of year	(1,057)	(18,810)
Exchange rate adjustments	44	0
Amortisation for the year	(2,306)	(34,717)
Reversal regarding disposals	984	0
Amortisation and impairment losses end of year	(2,335)	(53,527)
Carrying amount end of year	5,982	124,740

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	53,862	7,238
Exchange rate adjustments	(1,106)	(246)
Additions	13,008	899
Disposals	(10,757)	(2,569)
Cost end of year	55,007	5,322
Depreciation and impairment losses beginning of year	(11,432)	(1,006)
Exchange rate adjustments	581	208
Depreciation for the year	(24,985)	(4,766)
Reversal regarding disposals	8,455	2,555
Depreciation and impairment losses end of year	(27,381)	(3,009)
Carrying amount end of year	27,626	2,313

9 Financial assets

	Deposits DKK'000
Cost beginning of year	9,418
Disposals	(173)
Cost end of year	9,245
Carrying amount end of year	9,245

10 Deferred tax

	2020 DKK'000
Changes during the year	
Beginning of year	5,419
Recognised in the income statement	4,124
End of year	9,543

Deferred tax assets comprise temporary differences on intangible assets, property, plant and equipment and deferred tax losses. The Group expects to utilize tax assets within a shorter period of time, based on the current expectations for the following financial years.

11 Prepayments

Prepayments consists of prepaid expenses mainly prepaid rent.

12 Other provisions

Other provisions cover expected costs related to phasing out unprofitable activities.

13 Non-current liabilities other than provisions

	Due within 12 months 2020 DKK'000	Due after more than 12 months 2020 DKK'000	Outstanding after 5 years 2020 DKK'000
Bank loans	8,333	41,667	8,333
Other payables	0	9,081	0
	8,333	50,748	8,333

14 Changes in working capital

	2020 DKK'000	2019 DKK'000
Increase/decrease in inventories	(1,725)	28,266
Increase/decrease in receivables	4,452	18,900
Increase/decrease in trade payables etc.	6,307	(16,557)
Other changes	(7,380)	98,073
	1,654	128,682

15 Derivative financial instruments

Other debt include a negative fair value of forward exchange contracts of DKK 5,952. The Group hedges future exchange risks relating to sales and purchases and sales of goods. The Group has entered into forward exchange contracts for the following 8 months to secure purchases and sales of goods in the following currencies: USD 27,500 and DKK 49,343. All values are absolute values. All contracts are subscribed with the Company's ordinary bank.

16 Unrecognised rental and lease commitments

	2020 DKK'000	2019 DKK'000
Total liabilities under rental or lease agreements until maturity	127,297	181,658

17 Contingent liabilities

	2020 DKK'000	2019 DKK'000
Recourse and non-recourse guarantee commitments	21,168	21,957
Contingent liabilities	21,168	21,957

The Parent and the Danish subsidiaries participate in a Danish joint taxation arrangement in which Ball Group Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Parent and the Danish subsidiaries are therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

18 Assets charged and collateral

Bank loans are secured by way of a floating charge of DKK 80,000k. The assets covered by the floating charge amount to DKK 109,207k and comprise receivables, inventory and operating equipment.

Bank loans are also secured by way of a floating charge which covers rental rights etc.

The group companies Ball Group Denmark, Ball Group ApS, Ball Invest ApS and Ball Group Holding ApS have given negative pledge in the entity's assets.

Collateral provided for group enterprises

The Group has provided guarantee for the group enterprises' debt with the Group's main bank. The maximum limit of the guarantee is DKK 121,410k. Bank loans of group enterprises amount to DKK 2,236k at 31 December 2020. The above mentioned floating charge also secures group enterprises' debt with the Group's main bank.

19 Transactions with related parties

During the financial year, related party transactions have been conducted on an arm's length basis.

20 Subsidiaries

	Registered in	Corporate form	Equity DKK'000
Ball Group Denmark ApS	Billund, Denmark	ApS	1,000
Ball Group Finland OY	Vaasa, Finland	OY	1,000
Zizzi B.V.	Groenekan, Netherland	B.V.	1,000
BGN Retail AS	Oslo, Norway	AS	1,000
Ball Group Sverige Retail AB	Borås, Sweden	AB	1,000
Ball Group Germany GmbH	Munich, Germany	GmbH	1,000

Parent income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Revenue		7,430	1,476
Other operating income	1	54,907	0
Other external expenses		(881)	(2,076)
Gross profit/loss		61,456	(600)
Staff costs	2	(6,191)	(1,564)
Operating profit/loss		55,265	(2,164)
Income from investments in group enterprises		(47,403)	11,904
Other financial income	3	1,417	871
Other financial expenses	4	(2,145)	(3,067)
Profit/loss before tax		7,134	7,544
Tax on profit/loss for the year	5	69	959
Profit/loss for the year	6	7,203	8,503

Parent balance sheet at 31.12.2020

Assets

	Notes	2020 DKK'000	2019 DKK'000
Investments in group enterprises		160,113	235,747
Financial assets	7	160,113	235,747
Fixed assets		160,113	235,747
Receivables from group enterprises		63,088	60,848
Deferred tax	8	69	959
Other receivables		10	28
Receivables		63,167	61,835
Cash		456	365
Current assets		63,623	62,200
Assets		223,736	297,947

Equity and liabilities

	Notes	2020 DKK'000	2019 DKK'000
Contributed capital		100	100
Reserve for net revaluation according to the equity method		0	9,785
Retained earnings		104,756	92,199
Equity		104,856	102,084
Other payables		0	50,000
Non-current liabilities other than provisions		0	50,000
Payables to group enterprises		117,573	122,917
Other payables		1,307	22,946
Current liabilities other than provisions		118,880	145,863
Liabilities other than provisions		118,880	195,863
Equity and liabilities		223,736	297,947
Contingent liabilities	9		
Assets charged and collateral	10		
Related parties with controlling interest	11		
Transactions with related parties	12		

Parent statement of changes in equity for 2020

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	100	9,785	92,199	102,084
Exchange rate adjustments	0	0	(991)	(991)
Dissolution of revaluations	0	(9,785)	9,785	0
Other entries on equity	0	0	(3,440)	(3,440)
Profit/loss for the year	0	0	7,203	7,203
Equity end of year	100	0	104,756	104,856

Notes to parent financial statements

1 Other operating income

Other operating income consists of an adjustment of a provision related to the change in ownership in 2019, from the equity fund Axcel to our current owners, Findos Investor GmbH.

2 Staff costs

	2020 DKK'000	2019 DKK'000
Wages and salaries	6,191	1,564
	6,191	1,564
Average number of full-time employees	1	0

3 Other financial income

	2020 DKK'000	2019 DKK'000
Financial income from group enterprises	1,208	871
Other financial income	209	0
	1,417	871

4 Other financial expenses

	2020 DKK'000	2019 DKK'000
Financial expenses from group enterprises	103	33
Other interest expenses	2,042	3,034
	2,145	3,067

5 Tax on profit/loss for the year

	2020 DKK'000	2019 DKK'000
Change in deferred tax	(69)	(959)
	(69)	(959)

6 Proposed distribution of profit and loss

	2020 DKK'000	2019 DKK'000
Retained earnings	7,203	8,503
	7,203	8,503

7 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	225,962
Cost end of year	225,962
Revaluations beginning of year	9,785
Exchange rate adjustments	(991)
Amortisation of goodwill	(17,938)
Share of profit/loss for the year	(29,465)
Dividend	(23,800)
Other adjustments	(3,440)
Revaluations end of year	(65,849)
Carrying amount end of year	160,113

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

8 Deferred tax

	2020 DKK'000
Changes during the year	DKK'000
Beginning of year	959
Recognised in the income statement	(890)
End of year	69

Deferred tax assets comprise temporary differences as well as deferred tax losses that are expected to be utilized within 3-5 years.

9 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

10 Assets charged and collateral

The Entity has no guarantees.

11 Related parties with controlling interest

The following parties have a controlling interest:

- TopCo 26 FIII Holding GmbH, Munich, shareholder
- TopCo 26 SC FII GmbH, Munich, shareholder

12 Non-arm's length related party transactions

During the financial year, related party transactions have been conducted on an arm's length basis.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Figures for 2019 only include the period 27.02.2019 - 31.12.2019 and is therefore not comparable.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have

not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in equity.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue from the sale of goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc

for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on payables and transactions in foreign currencies etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with Ball Group Denmark ApS all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile, and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 7-20 years and residual value is 0%.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc comprise acquired intellectual property rights (rental rights).

Intellectual property rights acquired are measured at cost less accumulated amortisation, which is set at 10 years and the residual value is 0%.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

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

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

In the parent financial statements, investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits and losses.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 7-20 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

Referring to section 86 of the Danish Financial Statements Act, a cash flow statement has not been prepared because the Company's cash flow is fully included in consolidated cash flows of Ball Group Holding ApS, Business Reg. No 40 29 85 68.