

**Chino BidCo ApS**  
c/o NN07 ApS, Galionsvej 35, 1437 København K

Company reg. no. 40 79 02 33

**Annual report**

**1 January - 31 December 2022**

The annual report was submitted and approved by the general meeting on the 21 April 2023.

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Per Sloth Aagaard  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's statement**

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Today, the board of directors and the managing director have presented the annual report of Chino BidCo ApS for the financial year 1 January - 31 December 2022.

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

We consider the accounting policies appropriate and, in our opinion, the consolidated financial statements and the financial statements provide a fair presentation of the assets, equity and liabilities, and the financial position, consolidated and for the company, respectively, at 31 December 2022, and of the result of the activities, consolidated and of the company, respectively, during the financial year 1 January – 31 December 2022.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Copenhagen, 21 April 2023

### **Managing Director**

Anders Rahr

### **Board of directors**

Måns Fabian Månsson  
Chairman

Carl Andreas Nyberg

Gustav Otto Henrik Thott

Håkan Håkansson

Hans Fredrik Davidsson

Anders Cleemann

Tommy Høyrup Holte

## **Independent auditor's report**

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### **To the Shareholders of Chino BidCo ApS**

#### **Opinion**

We have audited the consolidated financial statements and the parent company financial statements of Chino BidCo ApS for the financial year 1 January to 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes 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 31 December 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 January - 31 December 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**

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### **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.

## **Independent auditor's report**

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- 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.
- 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 April 2023

### **Grant Thornton**

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

Jacob Helly Juell-Hansen  
State Authorised Public Accountant  
mne36169

Jannik Lehmann Lausten  
State Authorised Public Accountant  
mne47799

## Company information

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### **The company**

Chino BidCo ApS  
c/o NN07 ApS  
Galionsvej 35  
1437 København K

Company reg. no. 40 79 02 33

Financial year: 1 January - 31 December

### **Board of directors**

Måns Fabian Månsson, Chairman  
Carl Andreas Nyberg  
Gustav Otto Henrik Thott  
Håkan Håkansson  
Hans Fredrik Davidsson  
Anders Cleemann  
Tommy Høyrup Holte

### **Managing Director**

Anders Rahr

### **Auditors**

Grant Thornton, Statsautoriseret Revisionspartnerselskab  
Stockholmsgade 45  
2100 København Ø

### **Parent company**

Litorina V Investment AB

### **Subsidiary**

Chino Holding ApS, København K

## Consolidated financial highlights

| DKK in thousands.                       | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|---|-------------|-------------|-------------|-------------|
| <b>Income statement:</b>                |             |             |             |             |
| Gross profit                            | 57.717      | 56.615      | 36.555      | 311         |
| Profit from operating activities        | -2.818      | 1.672       | -16.456     | -10.967     |
| Net financials                          | -7.379      | -8.821      | -4.968      | -1.456      |
| Net profit or loss for the year         | -16.274     | -11.933     | -24.186     | -13.190     |
| <b>Statement of financial position:</b> |             |             |             |             |
| Balance sheet total                     | 360.719     | 368.399     | 387.059     | 418.526     |
| Equity                                  | 234.330     | 249.603     | 263.632     | 289.307     |
| <b>Cash flows:</b>                      |             |             |             |             |
| Operating activities                    | 719         | 12.177      | 26.108      | 1.918       |
| Investing activities                    | -4.653      | -4.322      | -1.941      | -308        |
| Financing activities                    | -7.106      | -12.851     | -3.069      | -2.954      |
| Total cash flows                        | -11.040     | -4.996      | 21.098      | -1.344      |
| <b>Employees:</b>                       |             |             |             |             |
| Average number of full-time employees   | 35          | 30          | 25          | 21          |
| <b>Key figures in %:</b>                |             |             |             |             |
| Acid test ratio                         | 176,9       | 365,8       | 316,7       | 341,2       |
| Solvency ratio                          | 65,0        | 67,8        | 68,1        | 69,1        |

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:

**Acid test ratio** 
$$\frac{\text{Current assets} \times 100}{\text{Short term liabilities other than provisions}}$$

**Solvency ratio** 
$$\frac{\text{Equity, closing balance} \times 100}{\text{Total assets, closing balance}}$$



## Management's review

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### The principal activities of the group

The group's principal activities are design, production and trading with clothing including activities in connection to this.

### Development in activities and financial matters

2022 was good year for NN.07. Despite outside challenges we continued to strengthen our position as a leading international menswear brand. As a group NN.07 grew revenue by 18% while also realizing growth in gross profit compared to the year before. In achieving this, 2022 has been a year of significant investments in our team, digitalization, and geographical expansion. We have also further strengthened our foundation and increased our ambitions for ESG targets and implementation. Our employees and partners deserve full credit for the results achieved.

The gross profit for the group for the year totals DKK 57.717 thousand against DKK 56.615 thousand last year. Income or loss from ordinary activities after tax totals DKK -16.274 thousand against DKK -11.933 thousand last year.

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

In 2022, the group's cash and cash equivalents decreased by DKK 11.040 thousand, i.e. from DKK 28.192 thousand to DKK 17.152 thousand.

### Special risks

#### *Foreign currency risks*

The group's result, cash flow and equity are influenced by the development in currency due to activities in foreign countries.

### Environmental issues

The group are environmentally conscious and continuously work on reducing the environmental impact of the group's operations.

### Expected developments

We expect to maintain our positive trend and invest further into development in 2022 with continued growth. For 2023 management expects a result on same level as for 2022.

### Events occurring after the end of the financial year

No events occurring after the balance sheet date will affect the financial statements for 2022.

## Accounting policies

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The annual report for Chino BidCo ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the group and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the group and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

## Accounting policies

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When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

### **The consolidated financial statements**

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

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

Investments in associates are measured in the statement of financial position at the proportionate share of the enterprises' equity value 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.

## Income statement

### **Gross profit**

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

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. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

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

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise.

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

## Accounting policies

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### Staff costs

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

### Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

### 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.

### Results from equity investments in subsidiaries

Dividend from equity investments in subsidiaries is recognised in the financial year in which the dividend is declared.

### 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.

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

#### Development projects, patents, and licences

Development costs comprise salaries, wages, and amortisation directly attributable to development activities.

Development costs recognised in the statement of financial position are measured at cost less accrued amortisations and writedowns for impairment.

After completion of the development work, capitalised development costs are amortised on a straight-line basis over the estimated useful economic life. The amortisation period is 5 years.

## Accounting policies

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### Software

Acquired software is measured at cost less accumulated amortisation.

The basis for depreciation are cost, that includes initial cost and expenses directly related to the acquirement until the moment, the asset are ready to be used.

The depreciation period are determined at the time of acquisition date and are re-evaluated annually.

In case of alterations of the depreciation period, the effect of depreciations are recognized as a change of accounting estimates.

Software are depreciated lineary over 3-5 years.

### 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.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

|  | Useful life |
|--|-------------|
| Leasehold improvements                           | 3-5 years   |
| Other fixtures and fittings, tools and equipment | 3-5 years   |

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 under depreciation.

## **Accounting policies**

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### **Leases**

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**

#### **Equity investments in group enterprises**

Equity investments in group enterprises are measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

### **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 estimated selling 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.

### **Prepayments and accrued income**

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

### **Cash on hand and demand deposits**

Cash on hand and demand deposits comprise cash at bank and on hand.

### **Income tax and deferred tax**

As administration company, Chino BidCo ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

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.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

## Accounting policies

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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.

### Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

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

### 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.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

### 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".

### 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.

## Income statement 1 January - 31 December

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

| <u>Note</u>                                | <u>Group</u><br><u>2022</u> | <u>2021</u>    | <u>Parent</u><br><u>2022</u> | <u>2021</u>   |
|--|-----------------------------|----------------|------------------------------|---------------|
| <b>Gross profit</b>                        | <b>57.716.674</b>           | <b>56.615</b>  | <b>2.604.534</b>             | <b>2.056</b>  |
| 1 Staff costs                              | -24.396.597                 | -18.993        | -2.857.810                   | -2.741        |
| Depreciation, amortisation, and impairment | -36.138.512                 | -35.950        | 0                            | 0             |
| <b>Operating profit</b>                    | <b>-2.818.435</b>           | <b>1.672</b>   | <b>-253.276</b>              | <b>-685</b>   |
| 2 Other financial income                   | 386.261                     | 3              | 58.230                       | 0             |
| 3 Other financial costs                    | -7.764.786                  | -8.824         | -4.027.852                   | -3.536        |
| <b>Pre-tax net profit or loss</b>          | <b>-10.196.960</b>          | <b>-7.149</b>  | <b>-4.222.898</b>            | <b>-4.221</b> |
| 4 Tax on net profit or loss for the year   | -6.076.573                  | -4.784         | 922.470                      | 903           |
| <b>5 Net profit or loss for the year</b>   | <b>-16.273.533</b>          | <b>-11.933</b> | <b>-3.300.428</b>            | <b>-3.318</b> |



**Balance sheet at 31 December**

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

| Note                      | Assets   |                           |                       |                           |                       |
|---------------------------|--|---------------------------|-----------------------|---------------------------|-----------------------|
|                           | Group<br>2022                                    | 2021                      | Parent<br>2022        | 2021                      |                       |
| <b>Non-current assets</b> |  |                           |                       |                           |                       |
| 6                         | Completed development projects                   | 3.112.573                 | 3.378                 | 0                         | 0                     |
| 7                         | Software   | 1.289.993                 | 662                   | 0                         | 0                     |
| 8                         | Goodwill   | 224.471.652               | 257.727               | 0                         | 0                     |
|                           | Total intangible assets                          | <u>228.874.218</u>        | <u>261.767</u>        | <u>0</u>                  | <u>0</u>              |
| 9                         | Other fixtures and fittings, tools and equipment | 4.249.188                 | 2.836                 | 0                         | 0                     |
|                           | Total property, plant, and equipment             | <u>4.249.188</u>          | <u>2.836</u>          | <u>0</u>                  | <u>0</u>              |
| 10                        | Equity investments in group enterprises          | 0                         | 0                     | 330.999.363               | 330.999               |
|                           | Total investments                                | <u>0</u>                  | <u>0</u>              | <u>330.999.363</u>        | <u>330.999</u>        |
|                           | <b>Total non-current assets</b>                  | <b><u>233.123.406</u></b> | <b><u>264.603</u></b> | <b><u>330.999.363</u></b> | <b><u>330.999</u></b> |

**Balance sheet at 31 December**

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

| <u>Note</u>           | <u>Group</u>                               |                           | <u>Parent</u>         |                           |                       |
|-----------------------|--|---------------------------|-----------------------|---------------------------|-----------------------|
|                       | <u>2022</u>                                | <u>2021</u>               | <u>2022</u>           | <u>2021</u>               |                       |
| <b>Assets</b>         |  |                           |                       |                           |                       |
| <b>Current assets</b> |  |                           |                       |                           |                       |
|                       | Manufactured goods and<br>goods for resale | 62.550.964                | 30.556                | 0                         | 0                     |
|                       | Total inventories                          | <u>62.550.964</u>         | <u>30.556</u>         | <u>0</u>                  | <u>0</u>              |
|                       | Trade receivables                          | 42.977.697                | 36.372                | 0                         | 0                     |
|                       | Receivables from group<br>enterprises      | 0                         | 0                     | 5.293.739                 | 5.476                 |
|                       | Tax receivables from group<br>enterprises  | 0                         | 0                     | 5.441.335                 | 4.890                 |
|                       | Other receivables                          | 1.932.362                 | 1.567                 | 0                         | 0                     |
| 11                    | Prepayments and accrued<br>income          | 2.982.495                 | 7.109                 | 0                         | 0                     |
|                       | Total receivables                          | <u>47.892.554</u>         | <u>45.048</u>         | <u>10.735.074</u>         | <u>10.366</u>         |
|                       | Cash on hand and demand<br>deposits        | <u>17.151.850</u>         | <u>28.192</u>         | <u>94.903</u>             | <u>314</u>            |
|                       | <b>Total current assets</b>                | <b><u>127.595.368</u></b> | <b><u>103.796</u></b> | <b><u>10.829.977</u></b>  | <b><u>10.680</u></b>  |
|                       | <b>Total assets</b>                        | <b><u>360.718.774</u></b> | <b><u>368.399</u></b> | <b><u>341.829.340</u></b> | <b><u>341.679</u></b> |

**Balance sheet at 31 December**

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

| Note                                     | Group              |                | Parent             |                |
|--|--------------------|----------------|--------------------|----------------|
|  | 2022               | 2021           | 2022               | 2021           |
| <b>Equity and liabilities</b>            |                    |                |                    |                |
| <b>Equity</b>                            |                    |                |                    |                |
|  | 100.000            | 100            | 100.000            | 100            |
|  | 234.230.215        | 249.503        | 281.575.767        | 284.876        |
|  | <b>234.330.215</b> | <b>249.603</b> | <b>281.675.767</b> | <b>284.976</b> |
| <b>Provisions</b>                        |                    |                |                    |                |
| 12                                       | 1.550.874          | 1.362          | 0                  | 0              |
|  | <b>1.550.874</b>   | <b>1.362</b>   | <b>0</b>           | <b>0</b>       |
| <b>Liabilities other than provisions</b> |                    |                |                    |                |
|  | 0                  | 41.454         | 0                  | 0              |
| 13                                       | 1.274.257          | 0              | 0                  | 0              |
| 14                                       | 51.414.965         | 47.606         | 51.414.965         | 47.606         |
|  | <b>52.689.222</b>  | <b>89.060</b>  | <b>51.414.965</b>  | <b>47.606</b>  |

**Balance sheet at 31 December**

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

**Equity and liabilities**

| <u>Note</u>  | Group                     |                       | Parent                    |                       |
|--|---------------------------|-----------------------|---------------------------|-----------------------|
|  | <u>2022</u>               | <u>2021</u>           | <u>2022</u>               | <u>2021</u>           |
| Current portion of long term payables              | 0                         | 10.119                | 0                         | 0                     |
| Bank debt  | 40.456.354                | 0                     | 0                         | 0                     |
| Trade payables                                     | 14.588.010                | 1.250                 | 68.231                    | 0                     |
| Payables to group enterprises                      | 0                         | 0                     | 447.011                   | 4.262                 |
| Income tax payable                                 | 7.035.644                 | 4.765                 | 7.422.281                 | 3.962                 |
| Other payables                                     | 10.068.455                | 12.240                | 801.085                   | 873                   |
| Total short term liabilities other than provisions | <u>72.148.463</u>         | <u>28.374</u>         | <u>8.738.608</u>          | <u>9.097</u>          |
| <b>Total liabilities other than provisions</b>     | <b><u>124.837.685</u></b> | <b><u>117.434</u></b> | <b><u>60.153.573</u></b>  | <b><u>56.703</u></b>  |
| <b>Total equity and liabilities</b>                | <b><u>360.718.774</u></b> | <b><u>368.399</u></b> | <b><u>341.829.340</u></b> | <b><u>341.679</u></b> |

**15 Charges and security****16 Contingencies****17 Related parties**

## Consolidated statement of changes in equity

All amounts in DKK.

|                             | <b>Contributed<br/>capital</b> | <b>Retained<br/>earnings</b> | <b>Total</b>       |
|-----------------------------|--------------------------------|------------------------------|--------------------|
| Equity 1 January 2022       | 100.000                        | 249.502.721                  | 249.602.721        |
| Profit or loss for the year | 0                              | -16.273.534                  | -16.273.534        |
| Exchange rate adjustment    | 0                              | -211.335                     | -211.335           |
| Other adjustments           | 0                              | 1.212.363                    | 1.212.363          |
|                             | <b>100.000</b>                 | <b>234.230.215</b>           | <b>234.330.215</b> |

## Statement of changes in equity of the parent

All amounts in DKK.

|   | <b>Contributed<br/>capital</b> | <b>Retained<br/>earnings</b> | <b>Total</b>       |
|---|--------------------------------|------------------------------|--------------------|
| Equity 1 January 2022                       | 100.000                        | 284.876.195                  | 284.976.195        |
| Profit or loss for the year brought forward | 0                              | -3.300.428                   | -3.300.428         |
|   | <b>100.000</b>                 | <b>281.575.767</b>           | <b>281.675.767</b> |

## Statement of cash flows 1 January - 31 December

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

| <u>Note</u>  | Group<br>2022      | 2021           |
|--|--------------------|----------------|
| Net profit or loss for the year                            | -16.227.571        | -11.933        |
| 18 Adjustments   | 45.578.921         | 42.750         |
| 19 Change in working capital                               | -24.835.927        | -12.881        |
| Cash flows from operating activities before net financials | 4.515.423          | 17.936         |
| Interest paid, etc.  | -3.796.059         | -5.759         |
| Cash flows from ordinary activities                        | 719.364            | 12.177         |
| <b>Cash flows from operating activities</b>                | <b>719.364</b>     | <b>12.177</b>  |
| Purchase of intangible assets                              | -1.618.177         | -2.912         |
| Purchase of tangible assets                                | -3.035.298         | -1.410         |
| <b>Cash flows from investment activities</b>               | <b>-4.653.475</b>  | <b>-4.322</b>  |
| Repayments of long-term payables                           | -7.105.569         | -12.851        |
| <b>Cash flows from investment activities</b>               | <b>-7.105.569</b>  | <b>-12.851</b> |
| <b>Change in cash and cash equivalents</b>                 | <b>-11.039.680</b> | <b>-4.996</b>  |
| Cash and cash equivalents at 1 January 2022                | 28.191.530         | 34.882         |
| Transfer from change in group companies                    | 0                  | -1.694         |
| <b>Cash and cash equivalents at 31 December 2022</b>       | <b>17.151.850</b>  | <b>28.192</b>  |
| <b>Cash and cash equivalents</b>                           |                    |                |
| Cash on hand and demand deposits                           | 17.151.850         | 28.192         |
| <b>Cash and cash equivalents at 31 December 2022</b>       | <b>17.151.850</b>  | <b>28.192</b>  |

## Notes

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Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

|  | Group             |               | Parent           |              |
|--|-------------------|---------------|------------------|--------------|
|  | 2022              | 2021          | 2022             | 2021         |
| <b>1. Staff costs</b>                  |                   |               |                  |              |
| Salaries and wages                     | 21.551.493        | 17.414        | 2.723.438        | 2.598        |
| Pension costs                          | 1.597.780         | 1.273         | 127.754          | 139          |
| Other costs for social security        | 246.024           | 158           | 6.367            | 5            |
| Other staff costs                      | 1.001.300         | 148           | 251              | -1           |
|  | <b>24.396.597</b> | <b>18.993</b> | <b>2.857.810</b> | <b>2.741</b> |
| Executive board and board of directors | 3.335.103         | 2.580.000     | 2.795.263        | 2.815        |
| Average number of employees            | 35                | 30            | 1                | 1            |
| <b>2. Other financial income</b>       |                   |               |                  |              |
| Other financial income                 | 386.261           | 3             | 58.230           | 0            |
|  | <b>386.261</b>    | <b>3</b>      | <b>58.230</b>    | <b>0</b>     |

## Notes

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Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

|  | Group            |              | Parent            |               |
|--|------------------|--------------|-------------------|---------------|
|  | 2022             | 2021         | 2022              | 2021          |
| <b>3. Other financial costs</b>                  |                  |              |                   |               |
| Financial costs, group enterprises               | 0                | 0            | 179.334           | 0             |
| Other financial costs                            | 7.764.786        | 8.824        | 3.848.518         | 3.536         |
|  | <b>7.764.786</b> | <b>8.824</b> | <b>4.027.852</b>  | <b>3.536</b>  |
| <b>4. Tax on net profit or loss for the year</b> |                  |              |                   |               |
| Tax of the results for the year                  | 4.629.761        | 3.987        | -922.470          | -928          |
| Adjustment for the year of deferred tax          | 188.636          | 784          | 0                 | 0             |
| Adjustment of tax for previous years             | 1.258.176        | 13           | 0                 | 25            |
|  | <b>6.076.573</b> | <b>4.784</b> | <b>-922.470</b>   | <b>-903</b>   |
| <b>5. Proposed distribution of net profit</b>    |                  |              |                   |               |
| Allocated from retained earnings                 |                  |              | -3.300.428        | -3.318        |
| <b>Total allocations and transfers</b>           |                  |              | <b>-3.300.428</b> | <b>-3.318</b> |



## Notes

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Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

|  | Group             |              |
|--|-------------------|--------------|
|  | 31/12 2022        | 31/12 2021   |
| <b>6. Completed development projects</b>           |                   |              |
| Cost 1 January 2022                                | 3.772.782         | 0            |
| Additions during the year                          | 567.884           | 3.773        |
| Transfers  | 37.250            | 0            |
| <b>Cost 31 December 2022</b>                       | <b>4.377.916</b>  | <b>3.773</b> |
| Amortisation and writedown 1 January 2022          | -394.717          | 0            |
| Amortisation for the year                          | -870.626          | -395         |
| <b>Amortisation and writedown 31 December 2022</b> | <b>-1.265.343</b> | <b>-395</b>  |
| <b>Carrying amount, 31 December 2022</b>           | <b>3.112.573</b>  | <b>3.378</b> |

|  | Group             |              |
|--|-------------------|--------------|
|  | 31/12 2022        | 31/12 2021   |
| <b>7. Software</b>                                 |                   |              |
| Cost 1 January 2022                                | 1.484.950         | 1.260        |
| Additions during the year                          | 1.050.293         | 225          |
| Transfers  | -37.250           | 0            |
| <b>Cost 31 December 2022</b>                       | <b>2.497.993</b>  | <b>1.485</b> |
| Amortisation and writedown 1 January 2022          | -823.211          | -546         |
| Amortisation for the year                          | -384.789          | -277         |
| <b>Amortisation and writedown 31 December 2022</b> | <b>-1.208.000</b> | <b>-823</b>  |
| <b>Carrying amount, 31 December 2022</b>           | <b>1.289.993</b>  | <b>662</b>   |

## Notes

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Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

|  | Group               |                |
|--|---------------------|----------------|
|  | 31/12 2022          | 31/12 2021     |
| <b>8. Goodwill</b>   |                     |                |
| Cost 1 January 2022  | 332.550.594         | 332.551        |
| <b>Cost 31 December 2022</b>   | <b>332.550.594</b>  | <b>332.551</b> |
| Amortisation and writedown 1 January 2022                                | -74.823.883         | -41.569        |
| Amortisation for the year  | -33.255.059         | -33.255        |
| <b>Amortisation and writedown 31 December 2022</b>                       | <b>-108.078.942</b> | <b>-74.824</b> |
| <b>Carrying amount, 31 December 2022</b>                                 | <b>224.471.652</b>  | <b>257.727</b> |
|  |                     |                |
|  | Group               |                |
|  | 31/12 2022          | 31/12 2021     |
| <b>9. Other fixtures and fittings, tools and equipment</b>               |                     |                |
| Cost 1 January 2022  | 24.997.533          | 23.918         |
| Additions during the year  | 3.035.298           | 1.410          |
| Disposals during the year  | -17.455.779         | -331           |
| <b>Cost 31 December 2022</b>   | <b>10.577.052</b>   | <b>24.997</b>  |
| Amortisation and writedown 1 January 2022                                | -22.161.149         | -20.137        |
| Depreciation for the year  | -1.622.494          | -2.024         |
| Reversal of depreciation, amortisation and writedown, assets disposed of | 17.455.779          | 0              |
| <b>Amortisation and writedown 31 December 2022</b>                       | <b>-6.327.864</b>   | <b>-22.161</b> |
| <b>Carrying amount, 31 December 2022</b>                                 | <b>4.249.188</b>    | <b>2.836</b>   |

## Notes

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Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

|  | Parent             |                |
|--|--------------------|----------------|
|  | 31/12 2022         | 31/12 2021     |
| <b>10. Equity investments in group enterprises</b> |                    |                |
| Acquisition sum, opening balance 1 January 2022    | 330.999.363        | 330.999        |
| <b>Carrying amount, 31 December 2022</b>           | <b>330.999.363</b> | <b>330.999</b> |

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

|                                | Equity<br>interest | Equity<br>DKK      | Results for the<br>year<br>DKK |
|--------------------------------|--------------------|--------------------|--------------------------------|
| Chino Holding ApS, København K | 100 %              | 195.900.946        | -1.857.581                     |
|                                |                    | <b>195.900.946</b> | <b>-1.857.581</b>              |

|   | Group            |              |
|---|------------------|--------------|
|   | 31/12 2022       | 31/12 2021   |
| <b>11. Prepayments and accrued income</b> |                  |              |
| Other prepayments/deferred income         | 2.982.495        | 7.109        |
|   | <b>2.982.495</b> | <b>7.109</b> |

|  | Group            |              |
|--|------------------|--------------|
|  | 31/12 2022       | 31/12 2021   |
| <b>12. Provisions for deferred tax</b>     |                  |              |
| Provisions for deferred tax 1 January 2022 | 1.362.238        | 578          |
| Deferred tax of the results for the year   | 188.636          | 784          |
|  | <b>1.550.874</b> | <b>1.362</b> |

## Notes

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Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

|  | Group             |               | Parent            |               |
|--|-------------------|---------------|-------------------|---------------|
|  | 31/12 2022        | 31/12 2021    | 31/12 2022        | 31/12 2021    |
| <b>13. Other payables</b>                            |                   |               |                   |               |
| Total other payables                                 | 1.274.257         | 0             | 0                 | 0             |
| Share of amount due within 1 year                    | 0                 | 0             | 0                 | 0             |
| <b>Total other payables</b>                          | <b>1.274.257</b>  | <b>0</b>      | <b>0</b>          | <b>0</b>      |
| <b>14. Payables to shareholders and management</b>   |                   |               |                   |               |
| Total payables to shareholders and management        | 51.414.965        | 47.606        | 51.414.965        | 47.606        |
| Share of amount due within 1 year                    | 0                 | 0             | 0                 | 0             |
| <b>Total payables to shareholders and management</b> | <b>51.414.965</b> | <b>47.606</b> | <b>51.414.965</b> | <b>47.606</b> |
| Share of liabilities due after 5 years               | 51.414.965        | 47.606.448    | 51.414.965        | 47.606        |

### 15. Charges and security

For bank loans of tDKK 33.605, Chino Holding ApS has provided security in company assets representing a value of tDKK 267.052. This security comprises the assets below, stating the carrying amounts:

Equity investments in group enterprises (NN.07 ApS): tDKK 267.052

Chino Holding ApS has provided guarantee of payment in place of NN.07 ApS as security for the company's debt to the bank.

Furthermore the subsidiary has provided security in company assets representing a value of tDKK 4.000. This security comprises the asset below, stating the carrying amounts:

|                   | DKK in<br>thousands |
|-------------------|---------------------|
| Inventories       | 62.551              |
| Trade receivables | 42.978              |

## Notes

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Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

### 16. Contingencies

#### Contingent liabilities

##### Lease liabilities

The group has a rent commitment totalling tDKK 2.729. The notice period for termination of tenancies are 3-6 months.

The group has granted a bank guarantee expiring january 2024 concerning rental deposits totalling tDKK 1.197.

#### Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

### 17. Related parties

#### Controlling interest

Litorina V Investment AB, Sveavägen 9, 111 57 Stockholm, Sverige      Majority shareholder

All transactions between related parties has been in accordance with the arm's length principle.

## Notes

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Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

|   | Group<br>2022               | 2021                        |
|---|-----------------------------|-----------------------------|
|   | <u>                    </u> | <u>                    </u> |
| <b>18. Adjustments</b>                      |                             |                             |
| Depreciation, amortisation, and impairment  | 36.138.512                  | 35.951                      |
| Other financial income                      | -386.261                    | -4.144                      |
| Other financial costs                       | 3.796.059                   | 5.757                       |
| Tax on net profit or loss for the year      | 5.841.975                   | 4.000                       |
| Deferred tax                                | 188.636                     | 784                         |
| Other adjustments                           | 0                           | 402                         |
|   | <u><b>45.578.921</b></u>    | <u><b>42.750</b></u>        |
| <b>19. Change in working capital</b>        |                             |                             |
| Change in inventories                       | -31.994.619                 | -3.784                      |
| Change in receivables                       | -2.844.567                  | -16.206                     |
| Change in trade payables and other payables | 12.701.403                  | 7.437                       |
| Other changes in working capital            | -2.698.144                  | -328                        |
|   | <u><b>-24.835.927</b></u>   | <u><b>-12.881</b></u>       |