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RSM Danmark

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Dares ApS

Industrivej 6C, 8660 Skanderborg

Company reg. no. 40 93 45 53

Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 10 March 2023.

Kim Andersen
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's statement	1
Independent auditor's report	2
Management's review	
Company information	5
Management's review	6
Financial statements 1 January - 31 December 2022	
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11
Accounting policies	14

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

Today, the Managing Director has approved the annual report of Dares ApS for the financial year 1 January - 31 December 2022.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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

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

Skanderborg, 3 March 2023

Managing Director

Kim Andersen

Independent auditor's report

To the Shareholder of Dares ApS

Opinion

We have audited the financial statements of Dares ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations 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 Financial Statements" section of our report. We are independent of the Company 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 Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Independent auditor's report

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's 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 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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 financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

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

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

Based on the work we have performed, 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.

Fredericia, 3 March 2023

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Søren Fricke

State Authorised Public Accountant
mne34262

Company information

The company	Dares ApS Industrivej 6C 8660 Skanderborg
	Company reg. no. 40 93 45 53 Financial year: 1 January 2022 - 31 December 2022
Managing Director	Kim Andersen
Auditors	RSM Danmark Statsautoriseret Revisionspartnerselskab Prinsessegade 60 7000 Fredericia
Parent company	Davidson Holding ApS
Subsidiary	Guldsmedevej 4-6 ApS, Horsens

Management's review

The principal activities of the company

The main activity of the company is asset management and being a holding company.

Unusual circumstances

No unusual circumstances have affected recognition or measurement.

Uncertainties about recognition or measurement

The investment property of the company comprises a site area at Aarhus Airport. The Covid-19 pandemic has led to a shutdown of the travel industry and its subcontractors. The activity has been significantly reduced and as a consequence thereof, no significant expansion of or new investments in facilities are likely to be made before the travel activities start up again.

Management expects that the activity will increase in the coming years as will the demand for areas for expansion or new investments in the area.

In connection with the measurement, a valuation has been obtained from an external real estate agent, but this valuation is of course subject to some uncertainty in the current market in which travel activities are shut down.

Apart from the above, no material uncertainty has affected the recognition or measurement.

Development in activities and financial matters

The company's shareholders have made capital increases by a total of DKK 10 million in the financial year. During the financial year, shares in the subsidiary were divested to the company's shareholders with a total loss of approx. DKK 9 million, which was recognised directly in the company's equity in connection with the elimination of intra-group profits and losses.

The company has lost more than 50% of the equity, and according to the Companies Act, the company's management must account for the plans to re-establish equity. The management expects that the equity can be re-established through contributions of additional capital in March 2023 from the owners. Based on this, the annual report is presented subject to continued operation.

Apart from this, the results and financial development of the company were as expected.

Events occurring after the end of the financial year

After the end of the financial year, no events have occurred that could materially affect the financial position of the company.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Gross loss	-668.249	1.041.208
Value adjustment of investment property	-229.050	0
2 Staff costs	0	-974.699
Depreciation and impairment of property, land, and equipment	0	-65.451
Profit before net financials	-897.299	1.058
Income from investments in subsidiaries	-1.605.000	-5.548.424
Other financial income	14.286	88.085
3 Other financial costs	-531.738	-102.671
Pre-tax net profit or loss	-3.019.751	-5.561.952
Tax on net profit or loss for the year	250.148	61.001
Net profit or loss for the year	-2.769.603	-5.500.951
 Proposed distribution of net profit:		
Allocated from retained earnings	-2.769.603	-5.500.951
Total allocations and transfers	-2.769.603	-5.500.951

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Assets		
Non-current assets		
4 Investment property	3.467.550	0
Total property, plant, and equipment	3.467.550	0
5 Investments in group enterprises	0	16.150.894
Total investments	0	16.150.894
Total non-current assets	3.467.550	16.150.894
Current assets		
Work in progress	15.000	240.000
Total inventories	15.000	240.000
Receivables from subsidiaries	1.258.721	7.381
Tax receivables from subsidiaries	243.644	0
Other receivables	3.090.679	409.359
Total receivables	4.593.044	416.740
Cash on hand and demand deposits	182.036	9.836
Total current assets	4.790.080	666.576
Total assets	8.257.630	16.817.470

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Equity		
Contributed capital	2.200.000	1.200.000
Retained earnings	-4.562.893	-2.845.080
Total equity	-2.362.893	-1.645.080
Long term liabilities other than provisions		
Other payables	0	11.256.106
Total long term liabilities other than provisions	0	11.256.106
Trade payables	30.035	68.293
Payables to participating interest	0	4.813.000
Other payables	10.590.488	2.325.151
Total short term liabilities other than provisions	10.620.523	7.206.444
Total liabilities other than provisions	10.620.523	18.462.550
Total equity and liabilities	8.257.630	16.817.470

1 Uncertainties concerning recognition and measurement

6 Charges and security

7 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2021	800.000	0	-944.129	-144.129
Cash capital increase	400.000	3.600.000	0	4.000.000
Retained earnings for the year	0	0	-5.500.951	-5.500.951
Transferred to retained earnings	0	-3.600.000	3.600.000	0
Equity 1 January 2022	1.200.000	0	-2.845.080	-1.645.080
Cash capital increase	1.000.000	9.000.000	0	10.000.000
Retained earnings for the year	0	0	-2.769.603	-2.769.603
Transferred to retained earnings	0	-9.000.000	9.000.000	0
Elimination of intra-group loss	0	0	-7.948.210	-7.948.210
	2.200.000	0	-4.562.893	-2.362.893

Notes

All amounts in DKK.

1. Uncertainties concerning recognition and measurement

The investment property of the company comprises a site area at Aarhus Airport. The Covid-19 pandemic has led to a shutdown of the travel industry and its subcontractors. The activity has been significantly reduced and as a consequence thereof, no significant expansion of or new investments in facilities are likely to be made before the travel activities start up again.

Management expects that the activity will increase in the coming years as will the demand for areas for expansion or new investments in the area.

In connection with the measurement, a valuation has been obtained from an external real estate agent, but this valuation is of course subject to some uncertainty in the current market in which travel activities are shut down.

Apart from the above, no material uncertainty has affected the recognition or measurement.

	<u>2022</u>	<u>2021</u>
2. Staff costs		
Salaries and wages	0	914.073
Pension costs	0	42.384
Other costs for social security	0	18.242
	<u>0</u>	<u>974.699</u>
Average number of employees	<u>0</u>	<u>2</u>
3. Other financial costs		
Financial costs, group enterprises	71.233	0
Other financial costs	460.505	102.671
	<u>531.738</u>	<u>102.671</u>

Notes

All amounts in DKK.

	<u>31/12 2022</u>	<u>31/12 2021</u>
4. Investment property		
Additions during the year	8.046.600	0
Disposals during the year	<u>-4.579.050</u>	<u>0</u>
Cost 31 December	<u>3.467.550</u>	<u>0</u>
Carrying amount, 31 December	<u>3.467.550</u>	<u>0</u>

The investment property includes a site area at Aarhus Airport.

The measurement has been made on the basis of external real estate agents' assessments of the market level.

See note 1 for a description of the uncertainty with respect to the recognition and measurement of the investment property.

5. Investments in group enterprises		
Cost 1 January	21.699.318	21.699.318
Additions during the year	9.680.000	0
Disposals during the year	<u>-29.779.318</u>	<u>0</u>
Cost 31 December	<u>1.600.000</u>	<u>21.699.318</u>
Revaluations, opening balance 1 January	-5.548.424	0
Net profit or loss for the year before amortisation of goodwill	-1.600.000	-5.548.424
Reversals for the year concerning disposals	5.948.424	0
Dividend	<u>-400.000</u>	<u>0</u>
Revaluation 31 December	<u>-1.600.000</u>	<u>-5.548.424</u>
Carrying amount, 31 December	<u>0</u>	<u>16.150.894</u>

Group enterprises:

	Domicile	Equity interest
Guldsmedevej 4-6 ApS	Horsens	100 %

Notes

All amounts in DKK.

6. Charges and security

None.

7. Contingencies

Contingent liabilities

None

Joint taxation

With Davidson Holding ApS, company reg. no 40 93 45 61 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

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

Accounting policies

The annual report for Dares ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C 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 company 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 company 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.

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.

Income statement

Gross loss

Gross loss 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 external costs comprise costs incurred for sales, advertising and administration.

Costs concerning investment properties comprise operating costs, repair and maintenance costs, taxes, charges, and other costs.

Accounting policies

Value adjustment of investment property

Value adjustment of investment property comprises value adjustments of properties at fair value and profit or loss from the disposal of properties.

Staff costs

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

Depreciation, amortisation, and writedown for impairment

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

Financial income and expenses

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

Results from investments in subsidiaries

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

Tax on net profit or loss for the year

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

The company is 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

Investment property

At the initial recognition, investment property is measured at cost, comprising the cost of the property and directly associated costs, if any.

Accounting policies

Hereafter, investment properties are measured individually at an estimated fair value. The properties are measured using a returnbased model, by which the expected future cash flows for the following year, along with a rate of return determined by an external assessor, form the basis for the fair value of the properties. Compared to the previous financial year, the method of measurement remains unchanged.

Costs adding new or improved qualities to an investment property compared to its condition at the time of acquisition, thereby improving the future return on the property, are added to the cost as an improvement. Costs which do not add new or improved qualities to an investment property are recognised in the income statement under the item "Costs concerning investment property".

Like other property, plant, and equipment except for land, investment property has a limited economic life. The impairment taking place concurrently with the ageing of the investment property is reflected in the continuing measurement of the investment property at fair value.

Value adjustments are recognised in the income statement under the item "Value adjustments of property".

Investments

Investments in subsidiaries

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

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

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

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

Accounting policies

Impairment loss relating to non-current assets

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

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

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

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

Inventories

Inventories are measured at cost. 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.

Cash on hand and demand deposits

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

Income tax and deferred tax

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

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

Accounting policies

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

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

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

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

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

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