



Trendhim Group ApS

Egeskovej 12
8700 Horsens
CVR No. 41481668

Annual report 2021

The Annual General Meeting adopted the
annual report on 31.03.2022

Sebastian Gyhrs Petersen

Chairman of the General Meeting

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Entity details

Entity

Trendhim Group ApS

Egeskovvej 12

8700 Horsens

Business Registration No.: 41481668

Registered office: Horsens

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Michael Ejby Bjørnvig, formand

Brian Andersen

Mikkel Falkenberg Kjær Andersen

Martin Højberg Christiansen

Johanna Svensson

Fanny Leksell

Gerth Roger Arne Kylberg

Executive Board

Sebastian Gyhrs Petersen, direktør

Johanna Svensson, direktør

Fanny Leksell, direktør

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Trendhim Group ApS for the financial year 01.01.2021 - 31.12.2021.

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 31.12.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2021 - 31.12.2021.

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.

Horsens, 31.03.2022

Executive Board

Sebastian Gyhrs Petersen
direktør

Johanna Svensson
direktør

Fanny Leksell
direktør

Board of Directors

Michael Ejby Bjørnvig
formand

Brian Andersen

Mikkel Falkenberg Kjær Andersen

Martin Højberg Christiansen

Johanna Svensson

Fanny Leksell

Gerth Roger Arne Kylberg

Independent auditor's report

To the shareholders of Trendhim Group ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Trendhim Group ApS for the financial year 01.01.2021 - 31.12.2021, 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 31.12.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2021 - 31.12.2021 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 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 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 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.

Aarhus, 31.03.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Fauerskov

State Authorised Public Accountant
Identification No (MNE) mne35428

Management commentary

Financial highlights

	2021 DKK'000	2020 DKK'000
Key figures		
Gross profit/loss	84,877	32,534
Operating profit/loss	8,465	7,605
Net financials	(11,848)	(5,068)
Profit/loss for the year	(9,787)	(1,720)
Balance sheet total	374,781	393,548
Investments in property, plant and equipment	8,013	3,126
Equity	89,298	98,735
Cash flows from operating activities	31,161	31,461
Cash flows from investing activities	(8,599)	(335,969)
Cash flows from financing activities	(28,690)	341,836
Ratios		
Return on equity (%)	(10.41)	(3.48)
Equity ratio (%)	23.83	25.09

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

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$

Primary activities

The company's main activity and purpose is the management of Trendhim ApS and possession of investments and equity.

Development in activities and finances

In 2021 the company managed a growth in gross profit of 161% and a financial result of -9.786.752 DKK. Profit before amortisation of goodwill thus amounts to 22.400.375 DKK, which management finds satisfactory.

Culture and ESG

The culture within the organization is crucial to the successful development of the company. Management has a continued focus on investing in people and learning to further strengthen the development of the company and make Trendhim a great place to work.

During 2021 we have moved both administration and warehouse to new facilities in Horsens, DK, and that has given management the possibilities to invest further into the work environment and given the company more space to continue future growth.

During 2021 we have had an increased focus on ESG both internally and across partnerships. We have worked on risk analysis, policies and ESG audits together with suppliers. We have also initiated recycling programs of certain materials.

COVID-19

The global COVID-19 situation continued throughout 2021 across most of the countries Trendhim operates in. COVID-19 has generally not had a negative impact on the financial result of the company in 2021 and there has been no noteworthy incidents of COVID-19 within the company.

COVID-19 has however, caused higher fluctuations within the company in both sales and cost across the different markets than what we have seen in the past. Management continues to monitor the situation very closely and follow guidelines to protect both the company and all employees.

Although the COVID-19 situation has impacted the global freight market in various ways, it has not had a significant impact on the company in cost nor stability of deliveries.

Investments

Management has invested a lot in organization, learning and IT infrastructure during 2021 to gear the company for future growth.

Profit/loss for the year in relation to expected developments

The gross profit and financial result of 2021 is in line with management expectations for the year. Financial result has not increased in the same rate as gross profit but remain at a very satisfactory level in line with expectations from management as part of a plan to invest in IT infrastructure, new facilities and organization to prepare the company for future growth.

Uncertainty relating to recognition and measurement

Management sees no significant uncertainty regarding calculation and measurement of the results presented in the annual report.

The global freight market with increasing prices has not had a significant impact on the company.

The fluctuation of currencies (FX) has not had a significant impact on the company during 2021. Primarily because the company has cashflows in many different currencies which somewhat balance out fluctuations.

Unusual circumstances affecting recognition and measurement

Management has seen no unusual circumstances that has affected calculation and measurement of the results presented in the annual report in any significant way.

Outlook

The company's high growth continues and Trendhim has become a prominent destination within its niche. A position that management expects to further Strengthen the coming years.

Management sees COVID-19 has having given both the company and E-commerce industry in general a big lift in revenue during 2020 and 2021. Some of it temporary. And now that COVID-19 is no longer expected to be as dominant a factor in 2022 management expects that growth rates will be lower for both Trendhim and the overall E-commerce industry where Trendhim operates.

Management will continue to invest in IT infrastructure, organization and learning during 2022 and expect to further strengthen its market position of being a go to destination for men's accessories. Management expects to further strengthen brand awareness and Trendhim's global footprint during 2022.

Management expects growth in net revenue of 0-10% in 2022. Management expects a financial result (EBITDA) for 2022 between 20-30 mio DKK.

Knowledge resources

Management sees its organization and people as its most primary resource. Management sees no specific knowledge resource being of significant importance to the future earnings of the company.

Environmental performance

Management does not see the environmental impact of the company to be a significant factor for the ongoing running of the company. However, management has a big focus on the company's impact on both society and environment. Together with all suppliers, management is ensuring policies and guidelines are in place to protect both employees and environment. Together with suppliers, management ensures audit protocols and chemical testing procedures are in place where relevant, and risk analysis is a core part of managements ongoing work with partners and suppliers.

Internally management ensures policies are always up to date and available to all employees, and whistleblowing procedures are in place to be able to report any suspicion of activities not in line with company policy.

Where relevant management works closely with relevant authorities in Denmark to ensure regulations are being adhered to by both Trendhim and suppliers.

Trendhim has no prior, or knowledge of, ongoing whistleblowing cases.

Research and development activities

The company has no ongoing Research and Development activities that is expected to have significant impact on the future development of 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 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss		84,876,543	32,534,024
Staff costs	1	(41,697,319)	(11,359,783)
Depreciation, amortisation and impairment losses	2	(34,714,256)	(13,569,035)
Operating profit/loss		8,464,968	7,605,206
Other financial income		2,468	14,539
Other financial expenses	3	(11,850,287)	(5,082,215)
Profit/loss before tax		(3,382,851)	2,537,530
Tax on profit/loss for the year	4	(6,403,901)	(4,257,353)
Profit/loss for the year	5	(9,786,752)	(1,719,823)

Consolidated balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Goodwill		276,272,844	308,459,971
Intangible assets	6	276,272,844	308,459,971
Other fixtures and fittings, tools and equipment		3,442,453	2,239,946
Leasehold improvements		4,283,158	0
Property, plant and equipment	7	7,725,611	2,239,946
Deposits		1,067,937	481,687
Financial assets	8	1,067,937	481,687
Fixed assets		285,066,392	311,181,604
Manufactured goods and goods for resale		38,682,276	28,047,681
Prepayments for goods		2,969,549	2,088,347
Inventories		41,651,825	30,136,028
Trade receivables		156,249	14,723
Deferred tax	9	817,000	0
Other receivables		9,183,726	9,836,094
Prepayments	10	2,078,546	424,117
Receivables		12,235,521	10,274,934
Cash		35,827,377	41,955,606
Current assets		89,714,723	82,366,568
Assets		374,781,115	393,548,172

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		1,033,890	1,030,300
Retained earnings		88,263,890	97,704,207
Equity		89,297,780	98,734,507
Deferred tax	9	0	75,000
Other provisions	11	3,240,277	3,227,540
Provisions		3,240,277	3,302,540
Payables to owners and management		228,996,192	246,440,246
Other payables		1,157,134	945,354
Non-current liabilities other than provisions	12	230,153,326	247,385,600
Bank loans		0	39,867
Prepayments received from customers		1,466,452	1,328,357
Trade payables		24,963,093	21,925,833
Tax payable		5,763,911	6,597,273
Other payables	13	19,896,276	14,234,195
Current liabilities other than provisions		52,089,732	44,125,525
Liabilities other than provisions		282,243,058	291,511,125
Equity and liabilities		374,781,115	393,548,172
Unrecognised rental and lease commitments	15		
Assets charged and collateral	16		
Transactions with related parties	17		
Group relations	18		
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Consolidated statement of changes in equity for 2021

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,030,300	0	97,704,207	98,734,507
Increase of capital	3,590	346,435	0	350,025
Transferred from share premium	0	(346,435)	346,435	0
Profit/loss for the year	0	0	(9,786,752)	(9,786,752)
Equity end of year	1,033,890	0	88,263,890	89,297,780

Consolidated cash flow statement for 2021

	Notes	2021 DKK	2020 DKK
Operating profit/loss		8,464,968	7,605,206
Amortisation, depreciation and impairment losses		34,714,256	13,569,035
Other provisions		12,737	1,906,237
Working capital changes	14	(3,610,169)	9,056,482
Cash flow from ordinary operating activities		39,581,792	32,136,960
Financial expenses paid		(291,871)	(64,141)
Taxes refunded/(paid)		(8,129,264)	(611,916)
Cash flows from operating activities		31,160,657	31,460,903
Acquisition etc. of property, plant and equipment		(8,012,794)	(1,221,654)
Acquisition of enterprises		0	(334,747,100)
Deposit		(586,250)	0
Cash flows from investing activities		(8,599,044)	(335,968,754)
Free cash flows generated from operations and investments before financing		22,561,613	(304,507,851)
Incurrence of debt to participating interests		0	241,422,167
Repayment of debt to participating interests		(29,000,000)	0
Cash capital increase		350,025	100,454,330
Short-term bank loans		(39,867)	(40,786)
Cash flows from financing activities		(28,689,842)	341,835,711
Increase/decrease in cash and cash equivalents		(6,128,229)	37,327,860
Cash and cash equivalents beginning of year		41,955,606	4,627,746
Cash and cash equivalents end of year		35,827,377	41,955,606
Cash and cash equivalents at year-end are composed of:			
Cash		35,827,377	41,955,606
Cash and cash equivalents end of year		35,827,377	41,955,606

Notes to consolidated financial statements

1 Staff costs

	2021	2020
	DKK	DKK
Wages and salaries	37,847,029	9,906,878
Pension costs	2,200,199	945,226
Other social security costs	195,687	281,637
Other staff costs	1,454,404	226,042
	41,697,319	11,359,783
Average number of full-time employees	86	52

	Remuneration of manage- ment 2021 DKK	Remuneration of manage- ment 2020 DKK
Total amount for management categories	1,591,400	457,914
	1,591,400	457,914

2 Depreciation, amortisation and impairment losses

	2021	2020
	DKK	DKK
Amortisation of intangible assets	32,187,127	13,411,303
Depreciation on property, plant and equipment	1,841,928	157,732
Impairment losses on property, plant and equipment	685,201	0
	34,714,256	13,569,035

3 Other financial expenses

	2021	2020
	DKK	DKK
Other interest expenses	11,835,799	5,060,844
Exchange rate adjustments	14,488	0
Other financial expenses	0	21,371
	11,850,287	5,082,215

4 Tax on profit/loss for the year

	2021	2020
	DKK	DKK
Current tax	7,295,912	4,196,437
Change in deferred tax	(892,000)	26,000
Adjustment concerning previous years	(11)	34,916
	6,403,901	4,257,353

5 Proposed distribution of profit/loss

	2021	2020
	DKK	DKK
Retained earnings	(9,786,752)	(1,719,823)
	(9,786,752)	(1,719,823)

6 Intangible assets

	Goodwill
	DKK
Cost beginning of year	321,871,274
Cost end of year	321,871,274
Amortisation and impairment losses beginning of year	(13,411,303)
Amortisation for the year	(32,187,127)
Amortisation and impairment losses end of year	(45,598,430)
Carrying amount end of year	276,272,844

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost beginning of year	3,126,340	0
Additions	3,575,800	4,436,993
Cost end of year	6,702,140	4,436,993
Depreciation and impairment losses beginning of year	(886,394)	0
Impairment losses for the year	(685,201)	0
Depreciation for the year	(1,688,092)	(153,835)
Depreciation and impairment losses end of year	(3,259,687)	(153,835)
Carrying amount end of year	3,442,453	4,283,158

8 Financial assets

	Deposits DKK
Cost beginning of year	481,687
Additions	586,250
Cost end of year	1,067,937
Carrying amount end of year	1,067,937

9 Deferred tax

	2021 DKK	2020 DKK
Property, plant and equipment	(353,000)	(168,000)
Receivables	457,000	93,000
Provisions	713,000	0
Deferred tax	817,000	(75,000)

Changes during the year	2021 DKK	2020 DKK
Beginning of year	(75,000)	(2,000)
Recognised in the income statement	892,000	(73,000)
End of year	817,000	(75,000)

Deferred tax has been recognised in the balance sheet as follows	2021 DKK	2020 DKK
Deferred tax assets	1,170,000	93,000
Deferred tax liabilities	(353,000)	(168,000)
	817,000	(75,000)

Deferred tax assets relate to differences between accounting and tax values for accruals and deferred income and will be utilized over time.

10 Prepayments

Prepayments cover substantial prepaid insurance, licenses, etc.

11 Other provisions

Other provisions consist of provisions for the return of goods at the beginning of 2021 with a value of DKK 3.240 K. (DKK 3.228 K. last year)

The provision is based on realized returns in the subsequent period and compared with the company's realized returns for previous periods.

12 Non-current liabilities other than provisions

	Due after more than 12 months 2021 DKK	Outstanding after 5 years 2021 DKK
Payables to owners and management	228,996,192	228,996,192
Other payables	1,157,134	1,157,134
	230,153,326	230,153,326

13 Other payables

	2021 DKK	2020 DKK
VAT and duties	17,111,965	11,236,663
Wages and salaries, personal income taxes, social security costs, etc. payable	1,358,014	2,199,617
Holiday pay obligation	1,426,297	797,915
	19,896,276	14,234,195

14 Changes in working capital

	2021 DKK	2020 DKK
Increase/decrease in inventories	(11,515,797)	(6,877,879)
Increase/decrease in receivables	(1,143,587)	(5,031,856)
Increase/decrease in trade payables etc.	9,049,215	20,966,217
	(3,610,169)	9,056,482

15 Unrecognised rental and lease commitments

	2021 DKK	2020 DKK
Total liabilities under rental or lease agreements until maturity	17,627,998	5,701,791

16 Assets charged and collateral

As security for all balances with banks, the company has pledged a corporate mortgage of DKK 4.500 K. in other plant, equipment and fixtures and fittings as well as inventories and receivables from sales and services.

There is a bank debt of DKK 0 K. pr. 31.12.2021.

17 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

18 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Trendhim Group ApS - Egeskovvej 12 Tolstrup, 8700 Horsens

The consolidated financial statements of Priveq Investment v(A) AB may be ordered at this address:
Priveq Investment v(A) AB Humlegårdsgatan 20, 10 246 Stockholm, Sverige

19 Subsidiaries

	Registered in	Corporate form	Ownership %
Trendhim ApS	Horsens	ApS	100.00

Parent income statement for 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss		2,018,347	(4,003,576)
Staff costs	1	(2,399,613)	(697,563)
Operating profit/loss		(381,266)	(4,701,139)
Income from investments in group enterprises		(369,779)	6,559,586
Other financial expenses	2	(11,620,941)	(5,020,548)
Profit/loss before tax		(12,371,986)	(3,162,101)
Tax on profit/loss for the year	3	2,585,234	1,442,278
Profit/loss for the year	4	(9,786,752)	(1,719,823)

Parent balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Investments in group enterprises		311,936,907	341,306,686
Financial assets	5	311,936,907	341,306,686
Fixed assets		311,936,907	341,306,686
Other receivables		0	1,256
Joint taxation contribution receivable		8,349,134	4,484,710
Receivables		8,349,134	4,485,966
Cash		5,243,767	3,900,156
Current assets		13,592,901	8,386,122
Assets		325,529,808	349,692,808

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		1,033,890	1,030,300
Reserve for net revaluation according to equity method		0	6,559,586
Retained earnings		88,263,890	91,144,621
Equity		89,297,780	98,734,507
Payables to owners and management		228,996,192	246,440,247
Non-current liabilities other than provisions	6	228,996,192	246,440,247
Trade payables		71,487	1,032,018
Payables to group enterprises		897,017	0
Tax payable		5,763,911	3,042,432
Other payables	7	503,421	443,604
Current liabilities other than provisions		7,235,836	4,518,054
Liabilities other than provisions		236,232,028	250,958,301
Equity and liabilities		325,529,808	349,692,808
Contingent liabilities	8		
Related parties with controlling interest	9		
Transactions with related parties	10		

Parent statement of changes in equity for 2021

	Contributed capital DKK	Share premium DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,030,300	0	6,559,586	91,144,621	98,734,507
Increase of capital	3,590	346,435	0	0	350,025
Transferred from share premium	0	(346,435)	0	346,435	0
Transfer to reserves	0	0	(6,559,586)	6,559,586	0
Profit/loss for the year	0	0	0	(9,786,752)	(9,786,752)
Equity end of year	1,033,890	0	0	88,263,890	89,297,780

Notes to parent financial statements

1 Staff costs

	2021 DKK	2020 DKK
Wages and salaries	2,399,613	663,168
Pension costs	0	32,880
Other social security costs	0	1,515
	2,399,613	697,563
Average number of full-time employees	2	2

	Remuneration of Manage- ment 2021 DKK	Remuneration of Manage- ment 2020 DKK
Total amount for management categories	1,591,400	457,914
	1,591,400	457,914

2 Other financial expenses

	2021 DKK	2020 DKK
Other interest expenses	11,606,451	5,020,548
Exchange rate adjustments	14,490	0
	11,620,941	5,020,548

3 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Adjustment concerning previous years	(11)	0
Refund in joint taxation arrangement	(2,585,223)	(1,442,278)
	(2,585,234)	(1,442,278)

4 Proposed distribution of profit and loss

	2021 DKK	2020 DKK
Retained earnings	(9,786,752)	(1,719,823)
	(9,786,752)	(1,719,823)

5 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	334,747,100
Cost end of year	334,747,100
Impairment losses beginning of year	6,559,586
Amortisation of goodwill	(32,187,127)
Share of profit/loss for the year	31,817,348
Dividend	(29,000,000)
Impairment losses end of year	(22,810,193)
Carrying amount end of year	311,936,907
Goodwill or negative goodwill recognised during the financial year	276,272,844

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

6 Non-current liabilities other than provisions

	Due after more than 12 months 2021 DKK	Outstanding after 5 years 2021 DKK
Payables to owners and management	228,996,192	228,996,192
	228,996,192	228,996,192

7 Other payables

	2021 DKK	2020 DKK
VAT and duties	283,312	125,117
Wages and salaries, personal income taxes, social security costs, etc. payable	172,725	259,986
Holiday pay obligation	47,384	58,501
	503,421	443,604

8 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.

9 Related parties with controlling interest

Priveq Investment v(A) AB Humlegårdsgatan 20, 10 246 Stockholm, Sverige

10 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

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

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

Non-comparability

The annual report is the Groups first consolidated annual report. The Group was established in July 2020, and as a result of this the comparative figures in the annual report only contains 5 months.

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.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition

date, with net assets having been calculated at fair value.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and external expenses.

Revenue

Revenue from the sale of manufactured goods and 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.

Revenue also includes provisions for returned goods, which are calculated on the basis of historical data.

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 and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and 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, and gains and losses from the sale of intangible assets and 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 intra-group profits or losses.

Other financial income

Other financial income comprises interest income.

Other financial expenses

Other financial expenses comprise interest expenses.

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 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. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years.

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

Property, plant and equipment

Plant and machinery, and other fixtures and fittings, tools and equipment and leasehold improvements 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	4-10 years
Leasehold improvements	5 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

Investments in group enterprises are recognised and measured in the parent financial statements 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 or losses.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Goodwill is the difference between cost of investments and fair value of the pro rata share 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. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 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.

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.

However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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.

Joint taxation contributions payable or receivable

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

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

Cash

Cash comprises bank deposits.

Other provisions

Other provisions comprise anticipated costs of returns.

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.

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

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

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash less short-term bank loans.