P-Sinful 2021 A/S

Malmøgade 3, 2100 København Ø

CVR no. 42 19 97 88

Annual report 2022

Approved at the Company's annual general meeting on 21 March 2023

Chair of the meeting:

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René Lyngs Houmøller

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of P-Sinful 2021 A/S for the financial year 1 January - 31 December 2022.

The annual report is prepared in accordance with 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 Company at 31 December 2022 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2022.

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

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 21 March 2023
Executive Board:

Jan Johan Kühl

Board of Directors:

Niels-Christian Worning Chair	Jan Johan Kühl	Henrik Bonnerup

Independent auditor's report

To the shareholders of P-Sinful 2021 A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of P-Sinful 2021 A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with 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's and Parent 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" (herinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Management's responsibilities for the 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 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 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 financial statements unless Management either intends to liquidate the Group or the Parent 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 as to 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 the 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:

Independent auditor's report

- 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the 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's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the 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's review.

Aarhus, 21 March 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Claus Hammer-Pedersen State Authorised Public Accountant mne21334	Jonas Busk State Authorised Public Accountant mne42771

Management's review

Company details

Name	P-Sinful 2021 A/S
Address, Postal code, City	Malmøgade 3, 2100 København Ø
CVR no.	42 19 97 88
Established	1 March 2021
Registered office	København
Financial year	1 January - 31 December
Board of Directors	Niels-Christian Worning, Chair Jan Johan Kühl Henrik Bonnerup
Executive Board	Jan Johan Kühl
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Group chart

Management's review

Financial highlights for the Group

DKK'000	2022 12 months	2021 10 months
Key figures		
Revenue	363,568	280,235
Operating profit/loss	-73,479	-14,958
Net financials	-37,287	-20,522
Profit/loss for the year	**-94,241**	**-34,879**
Total assets	771,298	834,753
Investments in property, plant and equipment	-2,835	-360
Minority interests	131,936	158,933
Equity	**295,698**	**352,310**
Cash flows from operating activities	-50,308	-11,675
Total cash flows	**-24,988**	**47,588**
Financial ratios		
Gross margin	17.9%	23.0%
Return on assets	-9.2%	-1.8%
Current ratio	220.6%	236.2%
Equity ratio	21.2%	23.2%
Return on equity	-29.2%	-10.2%
Average number of full-time employees	**154**	**107**

The financial ratios stated under "Financial highlights" have been calculated as follows:

Ordinary operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Gross margin	Gross profit/loss x 100 / Revenue
Return on assets	Profit/loss from operating activites x 100 / Average assets
Current ratio	Current assets x 100 / Current liabilities
Equity ratio	Equity excl. non-controlling interests, year-end x 100 / Total equity and liabilities, year-end
Return on equity	Profit/loss for the year after tax ex. non-controlling interests x 100 / Average equity ex. non-controlling interests

Management's review

Business review

The Group's activities are the continued development and operation of the webshop "Sinful" across multiple markets as well as the continued development of the optimal assortment including Branded and Private Label products under its own brands.

Financial review

In 2022, the group reported a revenue of DKK 363.6 million against DKK 280.2 million last year. The income statement for 2022 shows a loss of DKK 94.2 million against DKK 34.9 million last year, and the balance sheet of 31 December 2022 shows an equity of DKK 295.7 million. Management considers the group's financial performance for 2022 unsatisfactory.

The decrease in Profit for the year is heavily affected by the current developments in consumer confidence and the inflationary market conditions.

Non-financial matters

P-Sinful 2021 A/S was established in 2021 by Polaris Private Equity, and the Group successfully acquired the majority of Sinful ApS. Polaris is a leading Nordic private equity company investing in mid-sized companies with the objective to invest in strong companies with great potential and grow them substantially in partnership with Management and the Board.

Special risks

Operational risks

The company's most significant operational risk is associated with its strong brand position in the Nordic countries. To maintain a strong brand position, it is essential for the company to constantly be leading developments and trends in sex toys.

Foreign currency risks

The company has significant exposure to DKK, NOK, SEK, GBP, EUR, and USD.

Management considers the company's risk of fluctuations in foreign currency to be moderate. Management has established a foreign currency policy and continuously monitors the current and potential risks.

Capital structure and resources

The P-Sinful 2021 A/S share capital is divided into share classes. Management regularly assesses whether Sinful has a capital structure that corresponds to the Company's need for the financing of working capital.

Together with the Group's owners and Board of Directors, the Executive Board assesses the combination of equity and loans from shareholders and external financing on a recurring basis.

Management maintains an ongoing dialogue with the Group's most important lenders and shareholders, who show a high level of confidence in the Group. Management assesses that the Group's current capital structure and resources are adequate and sufficient to carry through the activities planned for the financial year 2023.

Reporting guidelines of Active Owners

The Sinful Group is partly owned by private equity and follows certain reporting guidelines issued by the Danish Venture Capital and Private Equity Association. You may find the guidelines here www.aktiveejere.dk.

Shareholder information

The Company's shares are owned by Polaris Private Equity V K/S (99%) and other investors (1%).

Management's review

Statutory CSR report

Throughout the year, we have implemented UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises OECD standards, and we are now a member of the UN Global Compact (UNGC). In addition, we have set a strategy/ plan around 4 Sustainable Development Goals (SDG's):

- (5) Gender Equality
- (8) Decent Work and Economic Growth
- (12) Responsible Consumption and Production
- (13) Climate Action

Our business

The Group's activities are the continued development and operation of the e-commerce platform "Sinful" across multiple markets as well as the continued development of the optimal assortment including Branded and Private Label products under its own brands.

At Sinful, we want to contribute to a safe and more playful sex life for everyone, and as the leading e-commerce company who sells sex toys in Scandinavia, we want to be the best at what we do, which also applies to sustainability. In early 2021, Sinful took its very first steps towards a more sustainable approach and towards understanding our impact on the environment along with the people working in our supply chain. Our approach is based on the OECD Guidelines and the UN Guiding Principles, from which we have assessed Sinfuls impact and potential risks and intensified our effort to mitigate or remove the identified risks.

Our responsibility

We are committed to diversity with respect to gender and nationality; to zero tolerance of discrimination; to excellence in managing the right to privacy; to supporting environmentally sustainable practices; to reducing our adverse impact on the environment by striving to use sustainable services, solutions, and technologies; and lastly, to zero tolerance of any form of bribery, corruption, or fraud.

Respect for Human Rights

We care about people – meaning both our customers and employees, hereof also our suppliers' employees. Our expectations towards our suppliers are addressed in our Code of Conduct for Business Relations. This also includes audits of our suppliers regarding e.g. working environment and child labor, which we take great distance from, and where we have a zero-tolerance. These audits are also a part of our business social compliance initiatives.

The right to privacy is vital to us at Sinful. The focus is increased and based on the products we sell, notably sex toys, which can be perceived by the individual as a private matter. We make sure to secure the data we obtain from our customers and only keep the data that is strictly necessary for the purpose being pursued. Please see the section on "Data Ethics" within this review. As a result of our continuous focus on mitigating the risk of data exposure, we have significantly lowered the risk of data breaches in 2022.

In 2023 we will continue to invest in improved IT security and train our employees on data processing activities to raise awareness of the relevant risks.

The focus regarding right to health is also important to us and we make sure to inform our customers of the material the products are made of, and if there is any risk of chemical contact. As a result, we have made a reference guideline for our employees in our procurement department to make sure the products live up to the regulations and safety standards. In 2023, we will continuously train our customer service and procurement departments on safety and hazards information.

Management's review

Social and Staff Matters

Our employees are the most important asset of our business, and we strive for diversity regarding gender, nationality, ethnicity, and age, and we have a zero-tolerance policy concerning discrimination and harassment. It is a place where every voice matters.

In 2022, Sinful continued to invest significantly in preboarding and onboarding of new employees as well as staff retention by developing our HR department to include a whole department focusing on Recruitment and Development. The department shall continuously gain insights and secure improvement. We advocate for a strong, social culture and family feeling amongst our employees. At Sinful we focus on protecting labor rights and ensuring that our employees have healthy and safe working conditions. We continuously work to improve our work environment and have increased efforts through our work environment committee and supplement the work with annual employee satisfaction surveys. Furthermore, we offer free health insurance for all our full-time employees.

The main risk Sinful face is ensuring a healthy and safe working environment while maintaining our employees' physical and mental well-being. To mitigate the risk of an unsafe and unhealthy work environment, we continuously assess our physical workplace with the working environment group, conduct employee development talks and satisfaction surveys. The effectiveness of our mitigation efforts is indicated by the number of incidents, complaints, and sick leave days, and by analyzing the score of our employee satisfaction survey.

Employees in numbers

Employees constitute the most important asset of Sinful, which makes it important to ensure the required technical and human skills. During the year, Sinful has therefore held several courses e.g. in connection to onboarding, development and employee retention. At management level, training in being a leader has been provided. By the end of 2022 the number of employees within the group has increased with 23 headcounts to 228, compared to 2021, where the number of employees were 205, compared to 140 by the end of 2020. This is a net increase of 23 persons during 2022. All employees are currently employed in Denmark.

Number of Employees	**2021**	**2022**
Beginning of year	140	205
Net increase during the year	65	23
End of year	**205**	**228**

Environment and Climate

Sinful continuously works with product development to be able to accommodate the needs of our customers regarding safety and quality. We recognize that our products are not sustainable by nature, which leads to a risk of having an adverse negative impact on the environment and climate. Therefore, we work to ensure sustainable operations around our products and work closely with our suppliers to mitigate the risk. Sustainability in Sinful means ongoing development and focus on material selection in packaging and products. This entails e.g., reducing single-use batteries, working on sustainable certifications, and replacing virgin- and high-emission materials in packaging.

In 2022, Sinful started to develop more intensively on new ways of using more responsible materials. This will continue throughout 2023. Consequently, we have started to phase out single-use batteries and phasing out plastic in our private label packaging as a part of our reporting. This will be a continuous focus in the following years. We are committed to defining responsible principles for our product development and product selection.

We are planning to create transparency for our customers and enable end-users to make informed choices on sustainability when purchasing products from us. We will implement environmental awareness and options for a more sustainable purchase and delivery.

In 2022 we have focused on reducing upstream emissions. We have reduced our upstream emissions arising from flight transportation by 80% In general, our emissions from upstream transportation have been reduced by 45%

Management's review

Respect for economic sustainability – anti corruption

Responsible business conduct entails that Sinful also commits to due diligence in relation to economic sustainability, including anti-corruption. We have implemented the OECD Guidelines in all areas of our business. In our impact assessments, we identified no severe impacted risks related to economic sustainability, including corruption and bribery.

In 2021, we conducted due diligence regarding anti-corruption. In the future, we will communicate our guidelines and expectations regarding anti-corruption to employees and business relations through our code of conduct. We followed up on our assessments from 2021 in 2022 and we will do a follow-up each year.

Account of the gender composition of Management

Sinfuls objective is to have both genders represented amongst the members of the Board of Directors by at least 25%by 2026. Currently, the Board of Directors of P-Sinful A/S has a 100%male representation. There were no changes in the board of directors in 2022, which means the goal has not been met in this legal entity.

P-Sinful A/S has less than 50 employees and are therefore not obliged to report on other managerial positions cf. the Danish Business Authorities guideline on § 99 b.

Considering the entire Sinful Group, however, females are represented by 33%at Board of Director level. Therefore, the goal for the board of the Group has been met for 2022.

The main activities behind the goal of increased female representation at management level are centered around internal and external recruiting as well as making sure that all female internal talents get the needed attention and support in their leadership development to compete for leadership positions.

We pursue a general policy for the Group that states everyone should have equal opportunities, regardless of gender. We believe that having diverse management strengthens our business and brings value for development and innovation. Sinful believes that diversity among employees and management, including gender distribution, contributes positively to the working environment and strengthens Sinful's performance and competitiveness.

Data ethics

This statement of data ethics for P-sinful 2021 A/S is a component of the management's report in the annual report for 2022 and covers the accounting period 1st of January to 31st of December 2022. Data ethics, like other business considerations, will be included in the consideration of major strategic business decisions and support Sinful's business model, values, and vision. The data ethics policy has been prepared to guarantee the safety of our employees, business relations, and customers, and to ensure they are handled according to the current legislation regarding personal data.

Sinful processes personal data in connection with recruitment, employment, and for the fulfillment of an agreement with business relations and customers.

Sinful ensures that personal data is collected solely for legitimate purposes and interests. Data must be processed lawfully, fairly, and in a transparent manner. Sinful will never collect more personal data than what is necessary for the fulfillment of the specified purpose. Sinful collects personal data directly from the data subject. If any personal data is collected from a third party other than the data subject, we will notify the data subject prior to processing, unless an exception in the GDPR applies.

It is stated exactly which personal data are collected directly from the customers, how it is collected, processed and stored at our website, which can be found at www.sinful.dk/persondatapolitik. Personal data collected in relation to recruitment can be found on our recruitment website. How data employment and for business relations is informed through internal documents.

Some of our business relations will store and process personal data on behalf of Sinful. When entering such an agreement, a data processing agreement (DPA) is signed to make sure that the business relation handles the data in accordance with our policy. As a data controller, we have the responsibility to ensure that our business relations comply with our required level of security. Sinful does not sell any personal data to third parties. When investing in new technologies which contain the collection and processing of personal data, data ethics and security must always be an integral part of the considerations.

Management's review

The data policies are assessed and updated on an ongoing basis which the board and executives are responsible for approving. The executives are responsible for the implementation hereof.

Events after the balance sheet date

No events materially affecting the Group's and the Group's financial position have occurred subsequent to the financial year-end.

Outlook

The Group's revenue for 2023 is expected to increase up to 10%due to the continued growth in the Group's core markets in the Nordics and further growth in other European Markets.

Recognized income from investments in Sinful ApS is negatively affected by amortization of goodwill and other amortization related to fair value adjustments of identifiable assets in connection with the acquisition of Sinful ApS.

Management expects a profit before interest and tax from Sinful ApS of up to DKK 10 million as a result of increasing activities and a continuous focus on profitability and a result after tax for the group at the same level as in 2022.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

Note	DKK'000	Group 2022 12 months	Group 2021 10 months	Parent company 2022 12 months	Parent company 2021 10 months
3	**Revenue**	363,568	280,235	0	0
	Cost of sales	-193,906	-137,470	0	0
	Other external expenses	-104,501	-78,180	-33	-1,192
	Gross profit	65,161	64,585	-33	-1,192
4	Staff costs	-68,049	-32,763	0	0
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-70,591	-46,780	0	0
	Other operating expenses	-7	0	0	0
	Profit/loss before net financials	-73,486	-14,958	-33	-1,192
	Income from investments in group enterprises	0	0	-52,101	-18,462
	Financial income	145	126	0	0
	Financial expenses	-37,432	-20,648	-8	-5
	Profit/loss before tax	-110,773	-35,480	-52,142	-19,659
5	Tax for the year	16,532	601	9	7
	Profit/loss for the year	-94,241	-34,879	-52,133	-19,652
	Specification of the Group's results of operations:				
	Shareholders in P-Sinful 2021 A/S	-52,133	-19,652		
	Non-controlling interests	-42,108	-15,227		
		-94,241	-34,879		

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group 2022	Group 2021	Parent company 2022	Parent company 2021
	ASSETS				
	Fixed assets				
6	**Intangible assets**				
	Customer relationships	11,787	20,628	0	0
	Acquired rights and other assets	2,468	1,736	0	0
	Patents and brand	334,580	359,674	0	0
	Goodwill	295,608	331,081	0	0
	Development projects in progress	8,319	0	0	0
		652,762	713,119	0	0
7	**Property, plant and equipment**				
	Fixtures and fittings, other plant and equipment	1,640	1,553	0	0
	Leasehold improvements	434	309	0	0
	Prepayments for plant and equipment	1,854	0	0	0
		3,928	1,862	0	0
8	**Investments**				
	Investments in group enterprises	0	0	163,116	192,699
	Deposits, investments	2,025	1,564	0	0
		2,025	1,564	163,116	192,699
	Total fixed assets	658,715	716,545	163,116	192,699
	Non-fixed assets				
	Inventories				
	Finished goods and goods for resale	81,986	64,510	0	0
		81,986	64,510	0	0
	Receivables				
	Trade receivables	4,790	3,398	0	0
9,12	Deferred tax assets	0	0	9	0
	Joint taxation contribution receivable	0	0	0	2,456
	Other receivables	1,818	1,798	0	0
10	Prepayments	1,389	914	0	0
		7,997	6,110	9	2,456
	Cash	22,600	47,588	657	698
	Total non-fixed assets	112,583	118,208	666	3,154
	TOTAL ASSETS	771,298	834,753	163,782	195,853

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

		Group		Parent company	
Note	**DKK'000**	**2022**	**2021**	**2022**	**2021**
	EQUITY AND LIABILITIES				
	Equity				
11	Share capital	22,422	22,189	22,422	22,189
	Net revaluation reserve according to the equity method	0	0	0	0
	Retained earnings	141,340	171,188	141,340	171,188
	Shareholders in P-Sinful 2021 A/S' share of equity	163,762	193,377	163,762	193,377
	Non-controlling interests	131,936	158,933	0	0
	Total equity	295,698	352,310	163,762	193,377
	Provisions				
12	Deferred tax	67,124	83,658	0	0
	Total provisions	67,124	83,658	0	0
	Liabilities other than provisions				
13	**Non-current liabilities other than provisions**				
	Payables to shareholders and Management	55,135	52,014	0	0
	Other credit institutions	302,307	296,721	0	0
		357,442	348,735	0	0
	Current liabilities other than provisions				
	Trade payables	29,169	25,085	20	27
	Corporation tax payable	0	2,449	0	2,449
	Other payables	21,865	22,516	0	0
		51,034	50,050	20	2,476
	Total liabilities other than provisions	408,476	398,785	20	2,476
	TOTAL EQUITY AND LIABILITIES	771,298	834,753	163,782	195,853

1 Accounting policies
2 Events after the balance sheet date
14 Contractual obligations and contingencies, etc.
15 Collateral
16 Related parties
17 Fee to the auditors appointed by the Company in general meeting
18 Appropriation of profit/loss

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

		Group				
Note	**DKK'000**	**Share capital**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
	Equity at 1 March 2021	0	0	0	0	0
	Capital increase	21,685	190,623	212,308	173,958	386,266
	Transfer through appropriation of loss	0	-19,652	-19,652	-15,227	-34,879
	Other value adjustments of equity	0	158	158	130	288
	Adjustment of hedging instruments at fair value	0	75	75	62	137
	Tax on items recognised directly in equity	0	-16	-16	-14	-30
	Cash payments concerning formation of enterprise	504	0	504	24	528
	Equity at 1 January 2022	22,189	171,188	193,377	158,933	352,310
	Additions/disposals of non-controlling interest	0	0	0	-3,455	-3,455
	Capital increase	233	23,074	23,307	17,693	41,000
	Transfer through appropriation of loss	0	-52,133	-52,133	-42,108	-94,241
	Other value adjustments of equity	0	-789	-789	873	84
	Equity at 31 December 2022	22,422	141,340	163,762	131,936	295,698

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity (continued)

		Parent company			
Note	DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
	Equity at 1 March 2021	0	0	0	0
	Capital increase	21,685	0	190,623	212,308
18	Transfer, see "Appropriation of profit/loss"	0	-18,462	-1,190	-19,652
	Equity transfers to reserves	0	18,245	-18,245	0
	Other value adjustments of equity	0	217	0	217
	Cash payments concerning formation of enterprise	504	0	0	504
	Equity at 1 January 2022	22,189	0	171,188	193,377
	Capital increase	233	0	23,074	23,307
18	Transfer, see "Appropriation of profit/loss"	0	-52,101	-32	-52,133
	Equity transfers to reserves	0	52,890	-52,890	0
	Other value adjustments of equity	0	-789	0	-789
	Equity at 31 December 2022	22,422	0	141,340	163,762

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

Note	DKK'000	Group 2022 12 months	Group 2021 10 months
	Profit/loss for the year	-94,241	-34,879
19	Adjustments	91,353	66,701
	Cash generated from operations (operating activities)	-2,888	31,822
20	Changes in working capital	-16,392	2,383
	Cash generated from operations (operating activities)	-19,280	34,205
	Interest received, etc.	145	126
	Interest paid, etc.	-28,724	-26,913
	Income taxes paid	-2,449	-19,093
	Cash flows from operating activities	-50,308	-11,675
	Additions of intangible assets	-9,473	-620
	Additions of property, plant and equipment	-2,835	-360
	Acquisition of companies	0	-681,839
	Cash flows to investing activities	-12,308	-682,819
	Proceeds of debt to other credit institutions	0	305,000
	Proceeds of debt to shareholders and Management	0	50,000
	Acquisition of treasury shares	-3,455	0
	Cash payments concerning formation of enterprise	0	528
	Cash capital increase	41,000	386,266
	Other cash flows from financing activities	83	288
	Cash flows from financing activities	37,628	742,082
	Net cash flow	-24,988	47,588
	Cash and cash equivalents at 1 January	47,588	0
	Cash and cash equivalents at 31 December	22,600	47,588

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of P-Sinful 2021 A/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of subsidiaries which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Patents and brand	15 years
Customer relationships	3 years
Acquired rights and other assets	3-10 years
Goodwill	10 years
Fixtures and fittings, other plant and equipment	3-5 years
Leasehold improvements	3-5 years

The residual value amounts to DKK 0.

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit/loss from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

The proportionate share of the individual subsidiaries' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities, exchange gains and losses and service charge offset against recived payments from card companies.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period.

Other intangible assets include customer relationships, patents and brand and other acquired intangible rights, including domain.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities areidentifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method, where the consolidation method has been choosen. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

2 Events after the balance sheet date

No events materially affecting the Group's and the Company's financial position have occurred subsequent to the financial year-end.

3 Segment information

The Company has not disclosed the breakdown of revenue by geographical and business segments, see section 96(1) of the Danish Financial Statements Act, as the Company's activities and markets do not differ significantly in the organisation of sales of goods. The Company primarily operates in the Nordic countries.

		Group		Parent company	
	DKK'000	2022 12 months	2021 10 months	2022 12 months	2021 10 months
4	**Staff costs**				
	Wages/salaries	67,099	31,055	0	0
	Pensions	3,607	908	0	0
	Other social security costs	1,791	800	0	0
	Staff costs transferred to non-current assets	-4,448	0	0	0
		68,049	32,763	0	0
	Average number of full-time employees	154	107	0	0
	Remuneration to members of Management:				
	Executive Board	1,729	1,573	0	0
	Board of Directors	725	650	0	0
		2,454	2,223	0	0

Parent company

The parent company did not pay any remuneration to Management during the financial year.

		Group		Parent company	
	DKK'000	2022 12 months	2021 10 months	2022 12 months	2021 10 months
5	**Tax for the year**				
	Estimated tax charge for the year	0	4,440	0	-7
	Deferred tax adjustments in the year	-16,534	-5,041	-9	0
	Tax adjustments, prior years	2	0	0	0
		-16,532	-601	-9	-7

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

6 Intangible assets

	Group					
DKK'000	Customer relationships	Acquired rights and other assets	Patents and brand	Goodwill	Development projects in progress	Total
Cost at 1 January 2022	26,522	1,857	376,403	354,730	0	759,512
Additions	0	1,154	0	0	8,319	9,473
Cost at 31 December 2022	26,522	3,011	376,403	354,730	8,319	768,985
Impairment losses and amortisation at 1 January 2022	5,894	121	16,729	23,649	0	46,393
Amortisation for the year	8,841	422	25,094	35,473	0	69,830
Impairment losses and amortisation at 31 December 2022	14,735	543	41,823	59,122	0	116,223
Carrying amount at 31 December 2022	11,787	2,468	334,580	295,608	8,319	652,762
Amortised over	3 years	3-10 years	15 years	10 years		

Development projects in progress

Development projects in progress includes development of IT projects, which will be a part of the future operation in the group, and will through the expected efficiency add future earnings.

7 Property, plant and equipment

	Group			
DKK'000	Fixtures and fittings, other plant and equipment	Leasehold improvements	Prepayments for plant and equipment	Total
Cost at 1 January 2022	2,687	788	0	3,475
Additions	644	337	1,854	2,835
Disposals	-55	0	0	-55
Cost at 31 December 2022	3,276	1,125	1,854	6,255
Impairment losses and depreciation at 1 January 2022	1,134	479	0	1,613
Depreciation	550	212	0	762
Reversal of accumulated depreciation and impairment of assets disposed	-48	0	0	-48
Impairment losses and depreciation at 31 December 2022	1,636	691	0	2,327
Carrying amount at 31 December 2022	1,640	434	1,854	3,928
Depreciated over	3-5 years	3-5 years		

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

8 Investments

DKK'000	Group Deposits, investments
Cost at 1 January 2022	1,564
Additions	461
Cost at 31 December 2022	2,025
Carrying amount at 31 December 2022	2,025

DKK'000	Parent company Investments in group enterprises
Cost at 1 January 2022	210,944
Additions	23,307
Cost at 31 December 2022	234,251
Value adjustments at 1 January 2022	-18,245
Profit/loss for the year	-52,101
Changes in equity	46
Value adjustments for the year	-835
Value adjustments at 31 December 2022	-71,135
Carrying amount at 31 December 2022	163,116

Parent company

Name	Legal form	Domicile	Interest
Subsidiaries			
Sinful HoldCo	A/S	Højberg, Denmark	55.28%
Sinful BidCo	A/S	Højberg, Denmark	55.28%
Sinful ApS	ApS	Højberg, Denmark	55.28%

9 Deferred tax assets

Parent company

The company has tax loss carry-forwards which is recognised in the balance sheet under deffered tax assets.

10 Prepayments

Group

Prepayments include accrual of expenses relating to subsequent financial years, including rent,insurance policies, etc.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

		Parent company	
	DKK'000	2022	2021
11	**Share capital**		
	Analysis of the share capital:		
	1,121,109,691 A shares of DKK 0.01 nominal value each	11,211	11,095
	554,775,930 B1 shares of DKK 0.01 nominal value each	5,548	5,490
	554,775,930 B2 shares of DKK 0.01 nominal value each	5,548	5,490
	5,778,916 B3 shares of DKK 0.01 nominal value each	58	57
	5,778,916 B4 shares of DKK 0.01 nominal value each	58	57
		22,423	22,189

Each A and B1 share carries one voting right and each B2, B3 and B4 share carries ten voting rights.

Analysis of changes in the share capital over the past 2 years:

DKK'000	2022	2021
Opening balance	22,189	504
Capital increase	233	21,685
	22,422	22,189

		Group		Parent company	
	DKK'000	2022	2021	2022	2021
12	**Deferred tax**				
	Deferred tax at 1 January	83,658	0	0	0
	Additions on corporate acquisition	0	88,699	0	0
	Adjustment for the year in the income statement	-16,534	-5,041	-9	0
	Deferred tax at 31 December	67,124	83,658	-9	0
	Deferred tax relates to:				
	Intangible assets	78,573	84,048	0	0
	Property, plant and equipment	-287	-140	0	0
	Liabilities	-758	-250	0	0
	Tax loss	-10,404	0	-9	0
		67,124	83,658	-9	0

13 Non-current liabilities other than provisions

	Group			
DKK'000	Total debt at 31/12 2022	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Payables to shareholders and Management	55,135	0	55,135	0
Other credit institutions	302,307	0	302,307	302,307
	357,442	0	357,442	302,307

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

14 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

	Group		Parent company	
DKK'000	**2022**	**2021**	**2022**	**2021**
Rent and lease liabilities	8,434	11,556	0	0

Group

Rent and lease includes a rent obligation totalling DKK 8,434 thousand in interminable rent agreements with remaining contract terms of 28 and 2 months, respectively and a lease obligation totalling DKK 226 thousand with a remaining contract term of 26 months.

Parent company

As management company, the Company is jointly taxed with other Danish group entities. The Company has joint and several liability with other jointly taxed group entities for payment of income taxes for the income year 2021 and withholding taxes falling due for payment on or after 1 May 2021 in the group of jointly taxed entities.

15 Collateral

Group

As security for the Group's debt to other credit institutions, totalling DKK 309,280 thousand, the Company Sinful BidCo A/S has provided security in the shares in Sinful ApS, which is fullly consolidated into the consolidated financial statements.

The Group has not provided any other security or collateral in assets at 31 December 2022.

Parent company

The Parent Company has not placed any assets or other as security for loans at 31 December 2022.

16 Related parties

Related party transactions

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

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

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

		Group		Parent company	
	DKK'000	2022 12 months	2021 10 months	2022 12 months	2021 10 months
17	**Fee to the auditors appointed by the Company in general meeting**				
	Total fees to EY	319	4,415	0	20
	Statutory audit	263	250	0	20
	Other assistance	56	4,165	0	0
		319	4,415	0	20

		Parent company	
	DKK'000	2022 12 months	2021 10 months
18	**Appropriation of profit/loss**		
	Recommended appropriation of profit/loss		
	Net revaluation reserve according to the equity method	-52,101	-18,462
	Retained earnings/accumulated loss	-32	-1,190
		-52,133	-19,652

		Group	
	DKK'000	2022 12 months	2021 10 months
19	**Adjustments**		
	Amortisation/depreciation and impairment losses	70,591	46,780
	Gain/loss on the sale of non-current assets	7	0
	Financial income	-145	-126
	Financial expenses	37,432	20,648
	Tax for the year	-16,532	-601
		91,353	66,701
20	**Changes in working capital**		
	Change in inventories	-17,476	-18,567
	Change in receivables	-1,853	-3,003
	Change in trade and other payables	4,085	14,654
	Other changes in working capital	-1,148	9,299
		-16,392	2,383

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Jan Johan Kühl
Direktion
On behalf of: P-Sinful 2021 A/S
Serial number: 5eacdcb9-6792-4f51-ae73-7d6f27330e85
IP: 94.127.xxx.xxx
2023-03-21 18:13:01 UTC

Jan Johan Kühl
Bestyrelse
On behalf of: P-Sinful 2021 A/S
Serial number: 5eacdcb9-6792-4f51-ae73-7d6f27330e85
IP: 94.127.xxx.xxx
2023-03-21 18:13:55 UTC

Niels-Christian Worning
Chair
On behalf of: P-Sinful 2021 A/S
Serial number: PID:9208-2002-2-714648032139
IP: 80.161.xxx.xxx
2023-03-21 18:23:02 UTC

Henrik Bonnerup
Bestyrelse
On behalf of: P-Sinful 2021 A/S
Serial number: 035d243e-52f6-4034-916e-9028107efac0
IP: 109.59.xxx.xxx
2023-03-21 19:53:36 UTC

Claus Hammer-Pedersen
Statsautoriseret revisor
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: CVR:30700228-RID:49314062
IP: 80.208.xxx.xxx
2023-03-21 20:08:48 UTC

Jonas Busk
Statsautoriseret revisor
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: CVR:30700228-RID:11937890
IP: 145.62.xxx.xxx
2023-03-22 07:49:30 UTC

René Lyngs Houmøller
Dirigent
On behalf of: P-Sinful 2021 A/S
Serial number: ab547766-c3cb-4d87-9a44-e5628c3e4c4c
IP: 89.221.xxx.xxx
2023-03-22 08:05:14 UTC

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