ASG Hamlet Holding ApS

Havnen 5
DK-8700 Horsens

CVR no. 42 43 46 04

Annual report 2021

The annual report was presented and approved at the Company's annual general meeting

on 11 april 2022

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Michael Storgaard
Chairman of the annual general meeting

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of ASG Hamlet Holding ApS for the financial year 1 June – 31 December 2021.

The annual report has been prepared in accordance with the international Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements as set out in the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations and cash flows for the financial year 1 June – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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

Horsens, 23 March 2022
Executive Board:

Torben Modvig CEO	Michael Storgaard Executive Officer	Jan Aarestrup Executive Officer

Board of Directors:

Johannes Vielberth Chairman	David George Bannerman

Independent auditor's report

To the shareholders of ASG Hamlet Holding ApS

Opinion

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of Company's operations and cash flows for the financial year 1 June – 31 December 2021 in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Audited financial statements

ASG Hamlet Holding ApS' financial statements for the financial year 1 June – 31 December 2021 comprise the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes, including summary of significant accounting policies. The financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark.

Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We 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.

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 Statement Act. We did not identify any material misstatement of the Management's review.

Independent auditor's report

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act and for such internal control that 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 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 may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

— obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

— evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

— conclude on the appropriateness of Management's use of the going concern basis of accounting 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 disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

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.

Copenhagen, 23 March 2022
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Lau Bent Baun	Nikolaj Møller Hansen
State Authorised	State Authorised
Public Accountant	Public Accountant
mne26708	mne33220

Management's review

Company details

ASG Hamlet Holding ApS
Havnen 5
DK-8700 Horsens

CVR no.	42 32 46 04
Financial period:	1 June – 31 December 2021
Established:	1 June 2021
Financial year:	1 June – 31 December
Registered office:	Horsens

Board of Directors

Johannes Vielberth, Chairman
David George Bannerman

Executive Board

Torben Modvig, CEO
Michael Storgaard, Executive Officer
Jan Aarestrup, Executive Officer

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Financial highlights

Seen over a period of 1 year, the Company's performance broken down on financial highlights can be accounted for as follows:

Key figures	1/6 – 31/12 2021
	TDKK
Profit from finance income and costs	-25,674
Loss for the year	-28,821
Total assets	2,059,367
Equity	997,387
- operating activities	-44,378
- investing activities	-1,932,964
- financing activities	1,981,750
Changes for the year in cash and cash equivalents	4,408
Financial ratios	
Solvency ratio	48.4%
Return on equity	-5.8%

The financial ratios have been calculated as follows:

Solvency ratio $\frac{\text{Equity ex. non-controlling interests at year end x 100}}{\text{Total equity and liabilities at year end}}$

Return on equity $\frac{\text{Profit after tax x 100}}{\text{Average equity}}$

Management's review

Operating review

Principal activities

The Company's principal activities are to act as holding company, make investments, conduct wealth management and any other related business.

Uncertainty regarding recognition and measurement

There is no uncertainty related to recognition and measurement in the annual report.

Unusual circumstances

The Company's assets, liabilities and financial position at 31 December 2021 and the results of the Company's operations and cash flows for the financial year 2021 are not affected by unusual circumstances.

Development in activities and financial position

The Company reported a loss of DKK 28,820,820 for 2021, and equity in the Company's balance sheet at 31 December 2021 stood at DKK 997,387,180.

Outlook

The Company's subsidiary expects to enjoy an increase in revenue and profit for 2022 compared to 2021. However, the Company's results are affected by amortisation of the acquisition of the subsidiary and expects to report results ranging from DKK -40,000,000 to DKK 0 in 2022.

The Company's impact on the external environment and measures taken to prevent, reduce environmental impact, etc.

The Company is a holding company with only limited activities, and therefore it has only a modest impact on the external environment.

Subsequent events

No events have occurred after the financial year end, which may materially affect the Company's financial position.

Financial statements 1 June – 31 December

Statement of comprehensive income

	Note	1/6-31/12 2021
		DKK
Revenue	3	10,742,042
Other external costs		-18,953,706
Gross profit/loss		-8,211,664
Staff costs	4	-9,352,230
Profit/loss before depreciation/amortisation and impairment losses (EBITDA)		-17,563,894
Income from equity investments in subsidiaries	5	40,694,398
Finance income	6	136,986
Finance costs	7	-66,505,298
Profit/loss before tax		-43,237,808
Tax on profit/loss for the year	8	14,416,988
Total comprehensive income		-28,820,820

Financial statements 1 June – 31 December

Balance sheet

DKK	Note	2021	1/6 2021
ASSETS			
Equity investments in subsidiaries	9	1,973,658,603	0
Financial assets		1,973,658,603	0
Total non-current assets		1,973,658,603	0
Amounts owed by subsidiaries		45,678,451	0
Other receivables		1,066,044	40,000
Corporation tax		14,416,988	0
Prepayments		20,139,167	0
Receivables		81,300,650	40,000
Cash at bank and in hand		4,407,698	0
Total current assets		85,708,348	40,000
TOTAL ASSETS		2,059,366,951	40,000

Financial statements 1 June – 31 December

Balance sheet

DKK	Note	2021	1/6 2021
EQUITY AND LIABILITIES			
Share capital		40,000	40,000
Retained earnings		997,347,180	0
Total equity		997,387,180	40,000
Banks	11	956,287,422	0
Total non-current liabilities		956,287,422	0
Current portion of non-current liabilities	11	27,886,875	0
Other payables		6,555,474	0
Other provisions	12	71,250,000	0
Total current liabilities		105,692,349	0
Total liabilities		1,061,979,771	0
TOTAL EQUITY AND LIABILITIES		2,059,366,951	40,000

Financial statements 1 June – 31 December

Statement of changes in equity

DKK	Share capital	Reserve for net revaluation according to the equity method	Retained earnings	Total equity
Equity at 1 June 2021	0	0	0	0
Comprehensive income/other comprehensive income in 2021				0
Profit/loss for the year	0	196,000,000	-224,820,820	-28,820,820
Total comprehensive income/other comprehensive income	**0**	**196,000,000**	**-224,820,820**	**-28,820,820**
Transactions with owners				
Cash capital increase	40,000	0	1,026,168,000	1,026,208,000
Dividends from subsidiary	0	-196,000,000	196,000,000	0
Total transactions with owners	**40,000**	**-196,000,000**	**1,222,168,000**	**1,026,208,000**
Equity at 31 December 2021	**40,000**	**0**	**997,347,180**	**997,387,180**

Financial statements 1 June – 31 December

Cash flow statement

DKK'000	Note	1/6-31/12 2021
Profit/loss for the year		-28,820,820
Adjustments	17	12,002,115
Changes in working capital	18	38,808,688
Cash generated from operations before finance income and costs		21,989,983
Interest income, etc.		136,986
Interest expense, etc.		-66,505,298
Cash flows from operating activities		-44,378,329
Acquisition of financial assets		-2,128,964,206
Dividends received from subsidiaries		196,000,000
Cash flows from investing activities		-1,932,964,206
Repayment of non-current liabilities, other items		-166,277,341
Raising of loans with credit institutions		957,919,574
Raising of non-current liabilities other items		163,900,000
Cash capital increase		1,026,208,000
Cash flows from financing activities		1,981,750,233
Changes in cash and cash equivalents		4,407,698
Cash at 1 June 2021		0
Cash and cash equivalents at 31 December 2021		4,407,698
Cash and cash equivalents are specified as follows:		
Cash		4,407,698
Cash and cash equivalents at 31 December 2021		4,407,698

Financial statements 1 June – 31 December

Notes

1 Accounting policies

The annual report of ASG Hamlet Holding ApS for 2021 has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

On 23 March 2022, the Board of Directors and the Executive Board discussed and approved the annual report of ASG Hamlet Holding ApS for 2021. The annual report is presented to the shareholders of ASG Hamlet Holding ApS for approval at the ordinary general meeting on 11 April 2022.

The annual report for 2021 has been presented in ASG Hamlet Holding ApS' functional currency, Danish kroner.

The annual report contains no comparative figures as 2021 is the Company's initial financial period.

The annual report is presented in accordance with IFRS. Reference is made to note 23.

In accordance with section 112 of the Danish Financial Statements Act, the Company has omitted to prepare consolidated financial statements.

Recognition and measurement of business combinations

Newly acquired or established entities are included in the financial statements as from the date of acquisition. Entities divested or discontinued are included in the consolidated income statement until the date of divestment. Comparative figures are not restated to reflect entities newly acquired, divested or discontinued. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the Company obtains de-facto control over the entity acquired.

The acquisition method is used to account for the acquisition of new entities, and the assets and liabilities of newly acquired entities are measured at fair value at the date of acquisition. Restructuring costs recognised in the acquired entity's financial statements at the date of acquisition, and not agreed to be part of the acquisition, are included in the pre-acquisition statement of financial position and accordingly in the determination of goodwill. Costs for restructurings decided after the acquisition date are recognised in the income statement. The tax effect of the revaluations made is recognised in deferred tax.

Positive balances (goodwill) between cost and the fair value of acquired identifiable assets and liabilities, including provisions for restructuring, are recognised under intangible assets. At initial recognition, goodwill is recognised in the statement of financial position at cost. Subsequently, goodwill is measured at cost less accumulated write downs. Goodwill is not amortised but is tested for impairment at least annually.

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

On acquisition, goodwill is allocated to the cash-generating unit which subsequently makes up the basis for an impairment test. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a different functional currency than that of the Group are accounted for as assets and liabilities belonging to the foreign entity and, at initial recognition, are translated into the foreign entity's functional currency at the exchange rate at the balance sheet date.

The consideration for entity consists of the fair value of the agreed consideration in the form of transferred assets and assumed liabilities and issued equity instruments If part of the consideration is contingent upon future events or meeting of certain terms, this part of the consideration is recognised at fair value at the date of acquisition. Subsequently, the contingent consideration is recognised in the income statement.

Costs incurred in related to business acquisitions are recognised in the income year in the year they are incurred.

Financial statements 1 June – 31 December

Notes

1 Accounting policies (continued)

If, at the date of acquisition, there is uncertainty related to the identification or measurement of acquired assets, assumed liabilities, contingent liabilities or determination of consideration, initial recognition is made on the basis of preliminarily stated figures. If it subsequently turns out that the identification or measurement of the consideration, acquired assets, assumed liabilities or contingent liabilities was incorrect at initial recognition, retrospective adjustment and calculation is made, including goodwill, until 12 months after the acquisition, and comparative figures area restated. Subsequent corrections are recognised as misstatements.

Income statement

Revenue

Revenue is recognised in the income statement when delivery and transfer of risk to the buyer have taken place and if the income can be stated reliably and is expected to be received.

Revenue is measured at fair value of the agreed consideration excluding VAT and duties. All discounts granted are deducted from revenue.

Other external costs

Other external costs include costs for administration, etc.

Staff costs

Staff costs include wages and salaries, including holiday pay, pension contributions and other social security costs, etc. relating to the Company’s employees. Staff costs are exclusive of refunds received from public authorities.

Finance income and costs

Finance income and costs are recognised in the income statement at the amounts relating to the financial year. Finance income and costs include interest income and expenses, finance charges on leases, realised and unrealised capital gains and losses on securities, accounts payable and transactions in foreign currencies and surcharges and allowances under the tax prepayment scheme, etc.

Income from equity investments in subsidiaries

The proportionate share of profit or loss after tax of subsidiaries is recognised in the income statement after full elimination of intercompany profits or losses.

Tax on profit/loss for the year

The Company is subject to the Danish rules on compulsory joint taxation.

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Financial statements 1 June – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Equity investments in subsidiaries

Investments in subsidiaries are measured at the proportionate share of the equity value of the entity, calculated according to the Group's accounting policies with the addition or deduction of unrealised intercompany profits or losses and with the addition or deduction of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method.

Net revaluation of investments in subsidiaries is tied as a reserve for net revaluation under equity according to the equity method to the extent that carrying amount exceeds cost. Dividends from subsidiaries expected to be adopted prior to the approval of the annual report of ASG Hamlet Holding ApS are not tied as a revaluation reserve.

Acquisition of companies is accounted for in accordance with the acquisition method, see the above description of the statement of goodwill.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Equity

Reserve for net revaluation according to the equity method

Net revaluation reserve according to the equity method comprises net revaluation of subsidiaries and associates in proportion to cost.

Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method in respect of temporary differences arising between the carrying amounts and the tax bases of assets and liabilities calculated based on the intended use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Liabilities other than provisions

Financial liabilities, etc. are recognised initially at fair value net of transaction costs incurred. In subsequent periods, financial liabilities are measured at amortised cost using the effective interest method, entailing that the difference between the proceeds and the nominal value is recognised in the income statement as finance costs over the term of the loan.

Other financial liabilities, comprising trade payables, amounts owed to subsidiaries and other payables, are measured at amortised cost, usually equivalent to nominal value.

Financial statements 1 June – 31 December

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1 Accounting policies (continued)

Cash flow statement

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

The effect on cash flow of acquisition and disposal of entities is shown separately as cash flows from investing activities. The cash flow statement includes cash flows relating to acquisitions from the date of acquisition, and cash flows relating to disposals are recognised up to the time of sale.

Cash flows from operating activities

Cash flows from operating activities are determined as net profit for the year adjusted for non-cash operating items, changes in working capital, interest paid, including the interest component of recognised lease liabilities, short-term leases that have not been capitalised and income tax paid.

Cash flows from investing activities

Cash flows from investing activities include payments relating to the acquisition and divestment of entities and activities and the purchase and sale of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or composition of the share capital and the related costs and the raising of loans, repayment of interest-bearing debt, repayment of lease liabilities and distribution of dividends to shareholders

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities (three months or less) which can easily be converted into cash with insignificant risk of value changes.

Financial statements 1 June – 31 December

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2 Significant estimates, assumptions and judgements

The determination of the carrying amounts of certain assets and liabilities requires assessments, estimates and assumptions of future events. The estimates and assumptions made are based on previous experience and other factors that Management deems to be justifiable in the circumstances, but which in their nature are uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. As a result of the risks and uncertainties facing the Company, the actual results may deviate from the estimates made. It may be necessary to change previous estimates due to changes in the circumstances on which the previous estimates were based or due to new information or subsequent events.

During the financial year, significant estimates were made in relation to the preparation of the take-over balance sheet. Reference is made to note 21 for further descriptions.

Material accounting judgements when putting accounting policies into practice

When putting the Company's accounting policies into practice, Management can make judgements, other than accounting estimates, which may have a material impact on the amounts recognised in the financial statements.

In 2021, Management did not make any such judgements.

3 Revenue

	1/6-31/12 2021
	DKK
Management	10,742,042
Total revenue	10,742,042
Denmark	10,742,042
Total revenue	10,742,042

Revenue comes from management fee to subsidiaries.

4 Staff costs

	1/6-31/12 2021
	DKK
Wages and salaries	8,886,810
Pension schemes	450,790
Other social security costs	14,630
Total revenue	9,352,230

Of which remuneration of the Executive Board and the Board of Directors:

Executive Board	9,352,230

Average number of employees	3

Financial statements 1 June – 31 December

Notes

		1/6-31/12 2021 DKK
5	**Income from equity investments in subsidiaries**	
	Share of profit in subsidiaries	40,694,398
6	**Finance income**	
	Interest income from subsidiary	136,986
7	**Finance costs**	
	Finance costs, Parent Company	844,117
	Other finance costs	64,915,992
	Exchange adjustments, costs	745,189
		66,505,298
8	**Tax on profit/loss for the year**	
	Current tax for the year	-14,416,988
	Tax on profit/loss for the year is calculated as follows:	
	Computed 22% tax on profit/loss for the year before tax	-9,512,324
	Tax effect of:	
	Non-deductible costs and non-taxable income	-4,904,664
		-14,416,988
	Effective tax rate	-33.3

Financial statements 1 June – 31 December

Notes

	2021
	DKK
9 Equity investments in subsidiaries	
Cost at 1 June 2021	0
Additions during the year	2,128,964,205
Cost at 31 December 2021	2,128,964,205
Value adjustments at 1 June 2021	0
Profit for the year	130,197,648
Dividends received	-196,000,000
Amortisation	-89,503,250
Value adjustments at 31 December 2021	-155,305,602
Carrying amount at 31 December 2021	1,973,658,603

Equity investments in subsidiaries are specified as follows:

Name/legal form	Registered office	Share capital	Equity interest
CC Oscar Invest ApS	Horsens	1,000,200	100%
CASA Management Holding ApS	Horsens	5,000,000	100%
CASA ManCo ApS	Horsens	845,807	100%

10 Equity

In 2021, the share capital consisted of 40,000 fully paid-in shares of a nominal face value of DKK 1 each. No shares carry special rights.

The Group's financing structure is usual for a group owned by a private equity fund. The Executive Board and the Board of Directors regularly assesses whether the Holding Company's and the Group's capital structure supports the meeting of the overall targets and long-term financial growth. The Holding Company is financed by means of bank loans. Duration and interest rate risks are regularly assessed for the Company and the Group.

At the balance sheet date, the Holding Company had interest-bearing debt of DKK 956,287 thousand. The Group's liquidity and drawing facilities are deemed to be at an acceptable level held up against the balance sheet total (capital resources), the Group's financing structure and the regular liquidity changes. The Group is deemed to have the necessary liquidity to ensure a high activity level going forward.

No dividends were paid in 2021.

Financial statements 1 June – 31 December

Notes

10 Equity (continued)

Movements in share capital are specified as follows:

	2021
	DKK
Share capital at 1 June 2021	0
Additions during the year	40,000
Share capital at 31 December 2021	40,000

11 Banks

DKK	Non-current liabilities	Current liabilities	Total
2021			
Bank loans	956,287,422	27,886,875	984,174,297

	2021
	DKK
Interest element, bank loans	64,687,987
Bank loans fall due as follows:	
0-1 year	27,886,875
1-2 years	956,287,422
2-3 years	0
3-4 years	0
4-5 years	0
More than 5 years	0
Total repayment on bank loans	984,174,297

	2021
	DKK

12 Other provisions

Other provisions comprise provision for earn-out for the purpose of the acquisition of subsidiaries

Provisions during the year	71,250,000
Total balance at 31 December	71,250,000

Financial statements 1 June – 31 December

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13 Liabilities from financing activities

DKK	Opening balance	Cash flows	Non-cash changes	Closing balance
2021				
Non-current liabilities	0	955,542,233	745,189	956,287,422
Total liabilities from financing activities	0	955,542,233	745,189	956,287,422

14 Contingencies, etc.

The Company has provided a guarantee for a group enterprise's right of withdrawal in the bank, max. DKK 150,000,000. At 31 December 2021, nothing has been deducted from the credit.

The Company has pledged shares in CASA ManCo ApS, CASA Management Holding ApS and CC Oscar Invest ApS as collateral for a group enterprise's right of withdrawal in the bank, max. DKK 150,000,000. At 31 December 2021, nothing has been deducted from the credit.

The Company has issued a pledge of subordination regarding a group entity's bank commitment.

Group enterprises are jointly and severally liable for tax payable on the Group's income, etc. subject to joint taxation. Total income tax payable appears from the financial statements of ASG Domus Holding ApS, which acts as the administration company for the joint taxation scheme. Group enterprises are also jointly and severally liable for Danish withholding taxes such as dividend tax, tax on royalty payments and tax on interest. Any subsequent adjustments to income taxes and withholding taxes may increase the liability of the Company.

15 Related parties and ownership structure

Control

ASG Domus Holding ApS, Havnen 5, 8700 Horsens, Denmark holds the majority of the share capital in the Company.

Other related parties

The Company's other related parties comprise their Boards of Directors and Executive Boards and their family members. Furthermore, related parties comprise companies in which the above-mentioned persons have major interests.

Transactions with related parties

Sale of services to subsidiaries of DKK 10,742 thousand was effected at market terms. The sale is disclosed in note 3.

Remuneration of the Executive Board is disclosed in note 4.

Financial transactions with subsidiaries are disclosed in note 6.

Transactions and balances with subsidiaries are disclosed in the balance sheet.

Apart therefrom, the Company has not engaged in any related party transactions.

Financial statements 1 June – 31 December

Notes

15 Related parties and ownership structure (continued)

Consolidated financial statements

The Company is included in the consolidated financial statements of the ultimate Parent Company, ASG Domus Holding ApS. ASG Domus Holding ApS is the smallest and largest group, in which the ASG Hamlet Holding ApS is included as a subsidiary.

The consolidated financial statements of ASG Domus Holding ApS can be obtained on the following address:

ASG Domus Holding ApS
Havnen 5
8700 Horsens
Denmark

16 Fees to auditors appointed at the general meeting

For a specification of fees to auditors appointed at the general meeting, reference is made to the annual report of ASG Domus Holding ApS.

	1/6-31/12 2021
	DKK
17 Cash flow statement - adjustments	
Finance income	-136,986
Finance costs	66,505,298
Income from equity investments in subsidiaries	-40,694,398
Tax on profit/loss for the year	-14,416,988
Other adjustments	745,189
	12,002,115
18 Cash flow statement - changes in working capital	
Changes in receivables	-66,883,662
Change in trade payables, etc.	105,692,350
	38,808,688

19 Financial risks and financial instruments

As a consequence of its operating, investing and financing activities, the Company is exposed to financial risks, including market risks (interest rate risks), credit risks and liquidity risks, to a limited extent only. The information provided in this note concerns the most significant risks only.

The overall framework for the financial risk management is set out in the group's financial strategy, which is updated annually and approved by the Board of Directors.

Financial risks are handled by Group Finance. Management monitors the group's risk concentration on a monthly basis in areas such as customers, subcontractors, financial counterparties, etc. By doing so, Management monitors whether any changes have occurred in the risk concentration.

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19 Financial risks and financial instruments (continued)

The financial strategy comprises the investment policy, the financing policy and the credit risk policy relating to financial counterparties. The strategy also includes a description of the approved risk framework.

As the number of foreign-currency transactions is low, and the ones realised are in EUR, the Company does not use hedging and is not exposed to exchange rate fluctuations.

Market risks (interest rate risks)

At year end 2021, the Company's interest-bearing loan reached DKK 956,287,422. The loan carries fixed interest, and therefore the Company is not exposed to interest rate risks and has therefore not engaged in any hedging transactions.

Credit risks

To minimise the counterparty and credit risks, all significant financial counterparties are approved by the Board of Directors. Financial counterparties must have at least Baa1/BBB+ (Moody's/S&P and Fitch) ratings.

When the present financing agreement on the acquisition of subsidiaries expires, the Company is dependent on the raising of new loan facilities. The risk of not being able to raise new loans is deemed low.

Liquidity risks

The Company is exposed to liquidity risks as a result of its investments in subsidiaries and repayment agreements for loan financing.

The Company is dependent on liquidity management in subsidiaries as the Company's ability to pay its financial liabilities is vital as shortage of liquidity may result in default on loan covenants, which may have major consequences for the Company. The Company is of the opinion that shortage of liquidity will have a major impact but the actual risk of this happening is low.

The Group's loan with credit institutions is subject to a covenant on a net debt cover from running twelve-month EBITDA from the general contracting business segment. Throughout the year, including at year end, the covenant has not been breached, nor close to being breached. The risk of a breach before loan maturity is considered low.

DKK 2021	Contractual cash flows	Within 1 year	1-3 years	3-5 years	After 5 years
Non-derivative financial instruments					
Credit institutions and banks	956,287,422	0	956,287,422	0	0
Trade payables	0	0	0	0	0
31 December 2021	956,287,422	0	956,287,422	0	0

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20 Categories of financial instruments

	2021
	DKK
Lending, receivables and cash and cash equivalents	50,086,149
Financial liabilities measured at amortised cost	-77,805,474
	-27,719,325

Carrying amount and fair value are identical.

21 Acquisition of subsidiaries and activities

On 5 July 2021, the Group took over control of CASA. CASA is a nationwide property developer and turnkey contractor represented in both Horsens and Copenhagen.

The Company has a green profile and targets that a minimum of 95% of the construction activities should be certified to sustainability standards in 2023.

The activity of the Group during the financial year comprised only the CASA activity taken over.

Specification of recognised assets taken over and liabilities assumed at the date of acquisition:

	Recognised value at the date of acquisition 2021
	DKK
Intangible assets, order backlog	256,500,000
Intangible assets, brand	118,200,000
Tangible assets	58,800,000
Financial assets	373,000,000
Other receivables	443,600,000
Cash and cash equivalents	456,200,000
Other payables	-52,000,000
Credit institutions and bank payables	-1,107,700,000
Net assets acquired	546,600,000
Goodwill	1,582,300,000
Consideration	2,128,900,000
Deferred contingent consideration	-71,300,000
Cash consideration	2,057,600,000

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21 Acquisition of subsidiaries and activities (continued)

The Group incurred transaction costs relating to the acquisition at an amount of approx. 17.9 million for fees to legal and financial advisors recognised as one-offs in the income statement of the Group for the 2021 financial year.

The Group is under an obligation to pay additional consideration of DKK 75 million under certain circumstances. Management has assessed that there is a 95% probability for pay-out of the contingent consideration in 2022, and therefore DKK 71.3 million has been recognised as consideration at 5 July 2021. The fair value of the contingent consideration has been calculated with interest-free interest of approx. 0%.

Intangible assets consist of order book (DKK 256.5 million) and trademarks (DKK 118.2 million). The fair value of the order book of DKK 256.5 million is amortised over the expected utilisation of the order book during the interval from one to four years. The fair value of trademarks of DKK 118.2 million is amortised over 20 years.

Following the recognition of identifiable assets and liabilities at fair value, goodwill arising from the acquisition has been calculated at DKK 1,582.3 million. Goodwill mainly represents the value of existing staff members and future construction projects won in tender rounds. Recognised goodwill is not deductible for tax purposes.

Statement of fair values

For the purpose of the acquisition of CASA, ASG Hamlet Holding ApS has stated identifiable intangible assets, including order book and trademarks, recognised at fair value in the acquisition balance sheet.

The fair value of trademarks is stated by discounting royalty payments saved from ownership instead of in-licensing the relevant technology (Relief from royalty method). A discount rate of 22.3% has been applied. The fair value of the order book has been determined using the Multi-Period Excess Earnings Method (MEEM). A discount rate of 10% has been applied. The order book is stated at present value of net cash flows attained having deducted a reasonable return on all other assets promoting the generating of the relevant cash flows.

Projected bad debts and other contractual assets are immaterial, and the market value of the receivables assumed is equivalent to nominal value.

22 New financial reporting regulations

Several new standards and interpretations not mandatory for adoption by ASG Hamlet Holding ApS at the time of the preparation of this Annual Report have been issued. None of them are expected to have any material impact on ASG Hamlet Holding ApS.

23 New financial reporting regulations

The Company was established on 1 June 2021. Accordingly, this is the Company's initial annual report. The annual report is presented in accordance with IFRS effective at 31 December 2021. The opening balance sheet presented at 1 June 2021 is equivalent to the opening balance sheet at the date of establishment.

As a consequence of the above, the transition to IFRS does not have any effect, and therefore no reconciliations of equity, statement of comprehensive income and the cash flow statement have been presented.

The Company has not relied upon the relaxation options contained in IFRS 1.