DDG Mid ApS

Nørre Søgade 13, 1.th.
1370 København K

CVR No. 43112309

Annual report 2023

1 January 2023 - 31 December 2023

Adopted at the Annual General Meeting on 11 July 2024

Frans Maarten van Berckel
Chairman

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Company details

Company
DDG Mid ApS
Nørre Søgade 13, 1.th.
1370 København K

CVR No.: 43112309

Executive board
Frans Maarten van Berckel

Auditors
inforevision
statsautoriseret revisionsaktieselskab
Buddingevej 312
2860 Søborg
CVR No. 19263096

Simon Høgenhav, authorized public accountant

Management's Review

Primary activities

The purpose of the company is to be a holding company and thus to invest in and hold shares in other companies and all activities which, in the opinion of the management, are related thereto.

Development in activities and finances

The results of the company's activities in the financial year amounted to a profit/loss of DKK -3.038.706. The equity at the balance sheet date amounted to DKK 20.769.471.

Statement by Management

Today The Executive Board have considered and adopted the annual report for 1 January 2023 - 31 December 2023 for DDG Mid ApS.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of its operations for the financial year 1 January 2023 - 31 December 2023.

I believe that the Management's review contains a fair review of the affairs and conditions referred to therein.

I recommend that the annual report be adopted at the Annual General Meeting.

København K, 11 July 2024

Executive board

Frans Maarten van Berckel
Executive director

The Independent Auditor's Extended Review on the Financial Statements

To the shareholder of DDG Mid ApS

Conclusion

We have performed an extended review of the financial statements of DDG Mid ApS for the financial year 1 January 2023 - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on our work performed, in our opinion, the financial statements give a true and fair view of the company's financial position as at 31 December 2023 and of the results of the company's operations for the financial year 1 January 2023 - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements Management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Practitioner's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Statement on the Management's review

Management is responsible for the Management's review.

The Independent Auditor's Extended Review on the Financial Statements, continued

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 extended review 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 extended review, 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 in the Management's review.

Søborg, 11 July 2024

inforevision
Statsautoriseret revisionsaktieselskab
CVR No. 19263096

Simon Høgenhav
Authorized public accountant
mne33745

Accounting policies

Information on reporting class

The annual report has been prepared in accordance with Danish financial statement legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing Reporting class B.

Some provisions from reporting class C has been adopted.

Omission of consolidated financial statements

Consolidated financial statements has not been prepared in accordance with the Danish Financial Statement Act section 110.

Generally regarding recognition and measurement

The financial statements have been prepared based on historical cost.

The income is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the annual report which confirm or invalidate affairs and conditions existing at the balance sheet date.

The functional currency is Danish Kroner. All other currencies are considered foreign currencies.

Foreign currency translation

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses.

Accounting policies, continued

Income statement

The income statement has been classified by nature.

Gross profit

Gross profit/loss includes "Revenue", "Cost of sales" and "External expenses".

Revenue

As income recognition criterion, the production criterion is applied so that revenue comprises the invoiced revenue for the year reduced by prepayments and with addition for work in progress measured at market value. Revenue is measured at fair value excl. VAT and less granted discounts.

Cost of sales

Cost of sales comprise expenses incurred to earn revenue for the year including management fees.

External expenses

External expenses comprises Selling costs, Cost of premises and Administrative expenses.

Staff costs

Staff costs include wages and salaries including holiday pay and pensions and other social security costs etc. to the company's employees.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the group enterprises' profit/loss adjusted for internal profits and losses less amortisation of goodwill on consolidation for the year.

Financial income

Financial income is recognised with amounts concerning the financial year. Financial income comprise interest.

Financial expenses

Financial expenses is recognised with amounts concerning the the financial year. Financial expenses comprise interest, realised and unrealised exchange losses, amortisation of debt to mortgage credit institutions as well as interest surcharge under the Danish Tax Prepayment Scheme.

Tax on profit or loss for the year

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax. Changes in deferred taxes due to adjustments of tax rates is recognised in the income statement.

Tax on profit or loss for the year is recognised in the income statement by the portion attributable to the profit or loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

Accounting policies, continued

Balance sheet

The balance sheet has been presented in account form.

Assets

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulate depreciation. The basis of depreciation is cost less estimated residual value after the end of useful life.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

The cost price for an asset is divided into separate components, that are depreciated separately, if the useful life of the individual components is significantly different.

Depreciation is initiated when the assets are ready to be taken into operation. Assets are depreciated on a straight-line basis over their estimated useful lives with following residual values:

Category	Period	Residual value
Fixtures, fittings, tools and equipment	5 years	0%

Minor purchases with useful lives below one year have been recognised as an expense in the income statement in external expenses.

Profit/loss on sale or retirement has been included in the income statement under gross profit or loss and other operating expenses.

The carrying amounts of property, plant and equipment are reviewed annually for indication of impairment for losses, apart from what is expressed by usual depreciation. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount. As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the expected cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognised in the income statement as amortisation, depreciation and impairment for loss of property, plant and equipment and intangible assets.

Accounting policies, continued

Investments in group enterprises

Investments in group enterprises have been recognised according to the equity method. This means that investments are measured at the pro rata share of the group enterprises' net asset value adjusted for internal dividends and profit or losses.

Distributable reserves in group enterprises which are distributed as dividends to the parent at the balance sheet date are included in the value of investments.

Group enterprises with negative net asset values are measured at zero, and any receivable from such enterprises is written down by the Parent's share of the negative net asset value to the extend deemed irrecoverable. If the negative net asset value exceeds the amount receivable, the remaining amount is recognised in provisions to the extent the Parent has a legal or constructive obligation to cover the relevant enterprise's liabilities.

Acquisition of group enterprises are recognised at cost. The difference between the cost price and the net asset value of the acquired company, which appears at the time of establishing the consolidation, is as far as possible allocated to the assets and liabilities whose value is higher or lower than the carrying amount. A remaining positive difference is treated as goodwill and included in the value of investments.

A negative difference, reflecting an expected cost or an unfavourable development, are recognised as income in the income statement in the year of acquisition.

Goodwill is amortised in the income statement over 7 years. The amortisation period is based on an assessment of the market position, earnings profile, and expectations of customers loyality, which within reasonable limits is based on historical data/registrations. Amortisations are recognised in the income statement with other value adjustments in the item income from investments in group enterprises.

The total net revaluation of investments in group enterprises is allocated through the profit or loss distribution to "Reserve for net revaluation according to the equity method" under equity. The reserve is reduced by dividend distributions to the Parent and is adjusted by changes in equity in the group enterprises.

Other receivables classified as fixed assets

Deposits recognised as fixed assets are measured at amortised cost, which usually corresponds to nominal amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Equity and liabilities

Equity

Increases of the share capital is recognised directly into equity less related transaction cost.

Accounting policies, continued

Deferred tax and corporation tax

Deferred tax is measured using the balance sheet liability method. Provision has been made for deferred tax by 22% on all temporary differences between carrying amount and tax-based value of assets and liabilities. Deferred tax is also measures with respect of the planned use of the asset and the settlement of the liability.

The tax value of the tax losses to be carried forward are included in the calculation of deferred taxes if it is probable that the losses can be used. Deferred tax assets are measured at net realisable value.

The company is jointly taxed with other Danish group enterprises with DDG Mid ApS as Management company. The tax effect of the joint taxation is allocated among the group enterprises in ratio to their taxable income according to the rules on full allocation with a refund for tax losses of the Danish Corporation Tax Act.

Joint tax contributions between the jointly taxed companies which have not been settled at the balance sheet date are classified as joint tax contributions in receivables or liabilities other than provisions.

Financial debts

Financial debts are recognised initially at the proceeds received net of transaction expenses incurred, which are directly related with the loan. In subsequent years, financial debts are measured at amortised cost equal to the capitalised value using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement over the loan period.

Short-term debts are measured at amortised cost, substantially corresponding to nominal value.

Income statement

	Note	2023	2022
		DKK	DKK
Gross profit		**1,568,461**	**416,940**
Staff costs	1	-1,557,681	-704,345
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**10,780**	**-287,405**
Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets	2	-6,757	-2,444
Earnings before interest and taxes (EBIT)		**4,023**	**-289,849**
Income from investments in group enterprises	8	-2,952,330	-2,309,158
Finance income	3	916,337	291,791
Finance expenses	4	-951,825	-353,357
Profit/loss before tax		**-2,983,795**	**-2,660,573**
Tax on profit/loss for the year	5	-54,911	0
Profit/loss for the year		**-3,038,706**	**-2,660,573**

Proposed distribution of profit and loss

	2023	2022
	DKK	DKK
Proposed distribution of profit and loss for the year :		
Transferred to retained earnings	-3,038,706	-2,660,573
Profit/loss for the year	**-3,038,706**	**-2,660,573**

Assets

	Note	31/12-2023	31/12-2022
		DKK	DKK
Fixtures, fittings, tools and equipment		23,944	8,555
Property, plant and equipment	6	**23,944**	**8,555**
Investments in group enterprises	8	18,715,714	7,964,293
Receivables from group enterprises		31,863,453	14,041,791
Deposits		18,870	18,870
Investments	7	**50,598,037**	**22,024,954**
Fixed assets		**50,621,981**	**22,033,509**
Trade receivables		0	15,725
Receivables from group enterprises		1,138,834	678,492
Prepayments		120,636	898,313
Receivables		**1,259,470**	**1,592,530**
Cash at bank and in hand		**848,239**	**393,245**
Current assets		**2,107,709**	**1,985,775**
Total assets		**52,729,690**	**24,019,284**

Equity and liabilities

	Note	31/12-2023	31/12-2022
		DKK	DKK
Contributed capital		40,000	40,000
Retained earnings		20,729,471	10,224,427
Equity		**20,769,471**	**10,264,427**
Deferred tax, liabilities	5	27,757	0
Provisions		**27,757**	**0**
Debt to other credit institutions		28,656,147	11,097,396
Long-term liabilities other than provisions	9	**28,656,147**	**11,097,396**
Short-term part of long-term liabilities other than provisions		2,291,667	2,291,667
Debt to other credit institutions		29,542	0
Trade payables		450,724	126,836
Joint tax contribution payables	5	27,154	0
Other payables		477,228	238,958
Short-term liabilities other than provisions		**3,276,315**	**2,657,461**
Liabilities other than provisions		**31,932,462**	**13,754,857**
Total equity and liabilities		**52,729,690**	**24,019,284**
Assets charged and collateral	10		
Contingent liabilities	11		

Statement of changes in equity

	Contributed capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 9 March 2022	40,000	80,000	120,000
Group contribution		12,805,000	12,805,000
Distributed profit/loss for the year		-2,660,573	-2,660,573
Equity at 1 January 2023	**40,000**	**10,224,427**	**10,264,427**
Group contribution		13,543,750	13,543,750
Distributed profit/loss for the year		-3,038,706	-3,038,706
Equity at 31 December 2023	**40,000**	**20,729,471**	**20,769,471**

Notes

1. Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	1,482,925	697,773
Other social security costs	10,516	2,135
Other staff cost	64,240	4,437
Total	**1,557,681**	**704,345**
Average number of full-time employees	2	1

2. Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets

	2023	2022
	DKK	DKK
Depreciation of property, plant and equipment	6,757	2,444
Total	**6,757**	**2,444**

3. Finance income

	2023	2022
	DKK	DKK
Financial income from group enterprises	916,181	291,791
Other financial income	156	0
Total	**916,337**	**291,791**

4. Finance expenses

	2023	2022
	DKK	DKK
Other financial expenses	951,825	353,357
Total	**951,825**	**353,357**

Notes, continued

5. Tax expense

	Joint tax contribution	Deferred tax	Tax on profit/loss for the year
	DKK	DKK	DKK
Payables at 1 January 2023	0	0	
Tax on profit/loss for the year	27,154	27,757	54,911
Payables at 31 December 2023	**27,154**	**27,757**	
Tax on profit/loss for the year recognised in the income statement			**54,911**
Recognition in balance sheet:			
Provisions		27,757	
Short-term payables	27,154		
Total	**27,154**	**27,757**	

6. Property, plant and equipment

	Fixtures, fittings, tools and equipment	Total	2022
	DKK	DKK	DKK
Cost at 1 January 2023	10,999	10,999	0
Additions for the year	22,146	22,146	10,999
Cost at 31 December 2023	**33,145**	**33,145**	**10,999**
Depreciation and impairment losses at 1 January 2023	-2,444	-2,444	0
Depreciation for the year	-6,757	-6,757	-2,444
Depreciation and impairment losses at 31 December 2023	**-9,201**	**-9,201**	**-2,444**
Carrying amount at 31 December 2023	**23,944**	**23,944**	**8,555**

Notes, continued

7. Investments

	Investments in group enterprises	Receivables from group enterprises	Deposits	Total	2022
	DKK	DKK	DKK	DKK	DKK
Cost at 1 January 2023	10,273,450	14,041,791	18,870	24,334,111	0
Additions for the year	13,629,751	17,821,662	0	31,451,413	24,356,111
Disposals for the year	0	0	0	0	-22,000
Cost at 31 December 2023	**23,903,201**	**31,863,453**	**18,870**	**55,785,524**	**24,334,111**
Amortisation and impairment losses at 1 January 2023	-2,309,157	0	0	-2,309,157	0
Amortisation for the year	-110,493			-110,493	-82,870
Value adjustments for the year	-2,767,837	0	0	-2,767,837	-2,226,287
Amortisation and impairment losses at 31 December 2023	**-5,187,487**	**0**	**0**	**-5,187,487**	**-2,309,157**
Carrying amount at 31 December 2023	**18,715,714**	**31,863,453**	**18,870**	**50,598,037**	**22,024,954**

8. Investments in group enterprises

			According to annual report		DDG Mid ApS share	
	Equity interest	Contributed capital	Profit/loss for the year	Equity	Share of profit/loss for the year	Share of equity
			DKK	DKK	DKK	DKK
HoldCo Ø ApS	60%	42,000	-2,651,441	7,557,921	-1,590,865	4,534,753
HoldCo R ApS	85%	40,000	-1,379,946	1,347,225	-1,172,954	1,145,141
HoldCo H ApS	75%	40,000	-398,549	6,646,451	-298,912	4,984,838
HoldCo A ApS	65%	40,000	453,683	11,493,683	294,894	7,470,894
Total					**-2,767,837**	**18,135,626**
Goodwill						773,451
Amortisations					-110,493	-193,363
Total					**-2,878,330**	**18,715,714**

Recognition in balance sheet:	
Investments in group enterprises	18,715,714
Total	**18,715,714**

Notes, continued

9. Long-term liabilities

	31/12-2023	31/12-2022
	DKK	DKK
Liabilities in total:		
Debt to credit institutions	30,947,814	13,389,063
Total	**30,947,814**	**13,389,063**
Current portion of non-current liabilities:		
Debt to credit institutions	2,291,667	2,291,667
Total	**2,291,667**	**2,291,667**
Due beyond 5 years after the balance sheet date:		
Debt to credit institutions	0	2,291,667
Total	**0**	**2,291,667**

10. Assets charged and collateral

	2023	
	Nominal value of the debt	**Booked value of assets deposited as security**
	DKK	DKK
Unlisted shares in group enterprises deposited as security for engagement with credit institution	31,373,333	18,573,720
Unlisted shares in group enterprises deposited as security for other group enterprises' engagement with credit institution	114,000	18,573,720

11. Contingent liabilities

DDG Mid ApS are jointly taxed with other group companies and are severally liable for tax on the jointly taxed incomes etc. of the group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of tax on interest, dividend tax and tax on royalty payments. Any subsequent adjustments of corporation taxes and withholding taxes may increase the company's liability.

Frans Maarten van Berckel
Direktør
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Simon Høgenhav
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