

Blixtz Holding A/S
CVR no. 75 55 98 28

Annual Report

January – December 2022

Approved at the Annual General Meeting on

Bengt Olof Tony Sundström

Chairman of the meeting

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Company details

The company

Blixt Holding A/S
Bellevuevej 10
2930 Klampenborg
Denmark

CVR no.: 75 55 98 28
Incorporated: 11 September 1984
Municipality: Gentofte
Financial year: 1 January - 31 December

Board of Directors

Bengt Olof Tony Sundström, Chairman
Mette Margrethe Rode Sundstrøm
Claus Clemen Boysen

Executive Management

Mette Margrethe Rode Sundstrøm, CEO

Independent Auditor

Beierholm
Statsautoriseret Revisionspartnerselskab

Main activity

The main activity of Blixtz Holding A/S is to be a holding company for Lauritz.com Group A/S, Vignelaure SAS, Ejendomsselskabet Blixtz ApS, Göholms skog och lantbruk AB, Goodwill Mountain (Pty) Ltd. and underlying operating companies.

Development of activities and financial conditions

The result for the year for Blixtz Holding A/S (the parent company) shows a loss of DKK 6.6m against a loss in 2021 of DKK 3.2m. The result is considered unsatisfactory.

The Blixtz Holding A/S group realized for the year revenue of DKK 119.6m (2021: DKK 129.4m), a total EBITDA of DKK 8.0m (2021: DKK 3.7m) and a result before tax (EBT) of DKK -93,8m (2021: DKK -37.1m).

The negative EBT of the Blixtz Holding A/S group is a function of loss of goodwill and depreciations due to the bankruptcies of 6 group companies, incl. Lauritz.com A/S. The EBT is expected to improve in 2023 as a result of the expected effect of the deconsolidation which (as noted below in section "Events after the balance sheet date") is estimated to have a positive impact on the net result and equity of the Blixtz Holding A/S group of DKK 50-60m.

Financing – going concern

Towards the end of 2019 a review of the capital structure of the Blixtz Holding A/S group was carried out, resulting in an M&A process that commenced in April 2020 and was finalized in May 2021. The result of that process included e.g. the sale of Stockholm's Auktionsverk and the reduction of Lauritz.com A/S' bond debt.

In May 2022, the last part of the sales proceeds (SEK 15m) from the sale of Stockholm's Auktionsverk was received and a payment to reduce the bond debt by SEK 15m was made, after which the remaining bond debt is DKK 94m (SEK 140m).

Going concern in the Blixtz Holding A/S group depends on the sale of the subsidiary Vignelaure S.A.S (which contains a valuable property) in 2024 and its selling price in the event of a sale. The property of Vignelaure S.A.S (land, buildings, fixtures and equipment etc.) is recognized in the annual report at fair value at DKK 232m as shown in note 12. Estimation of fair value is subject to uncertainty due to the nature of the asset and the market conditions as described to in note 29 to which we refer.

As noted above, there is an ongoing and active sales process concerning the shares Vignelaure S.A.S.

The process is developing according to the plan in close collaboration with well-esteemed real estate sales/M&A representatives. A considerable number of non-disclosure agreements have been signed by potential buyers. The interested parties are typically leading, high level international wine groups or very wealthy individuals/family offices. Out of the potential buyers that have visited the estate, there are at the time being three ongoing dialogues/negotiations that are being conducted at levels that - if completed - will secure going concern of the group and all of which reflect that the market value of the shares of Vignelaure S.A.S. (and thus the property owned by Vignelaure S.A.S.) is above the numbers indicated in this annual report.

If the property of Vignelaure S.A.S. is - contrary to the current ongoing and active process and contrary to standard market practice for similar properties - sold as an asset transfer, a tax payment is likely triggered. Should such assets sale be completed at less than EUR 25m, going concern of Blixtz Holding A/S may be effected.

For sake of good order, the tax payment mentioned above will not be triggered in the event that the ongoing and active sales process concerning the shares in Vignelaure S.A.S. (as described above) is completed. Blitz Holding A/S assesses that such share sales process concerning Vignelaure S.A.S. is likely to be completed in 2024.

The above mentioned serves as background for management's preparation of the annual report according to going concern and for management's recommendation to adopt this annual report.

The expected development

In the annual report for 2021 the guidance for 2022 was a growth in revenue of 5-15 percent and EBITDA of DKK 3-8m.

The realized growth in revenue for the year ended at -7.6 percent which was below the guidance for 2022 given in the 2021 annual report. Realized EBITDA for the year was DKK 8.0m, which was within the guidance.

In 2023 and based on the group's current structure, operating profit is expected in the range of DKK -3m to +3m and a slightly positive cashflow is expected.

As further above, the ongoing and active sales process concerning Vignelaure S.A.S. is expected to reflect (at least) fair value of the property of Vignelaure S.A.S., and thus yield sufficient funds to maintain going concern.

Events after the balance sheet date

On 28 June 2023, six subsidiaries (of which two were acquired in 2023) petitioned for restructuring proceedings. Subsequently, on 11 July 2023, these subsidiaries were adjudicated bankrupt, which entails a loss of control of the subsidiaries concerned. In accordance with the financial reporting standards, the majority of the assets regarding the bankrupt subsidiaries were impaired as of 31 December 2022, where the liabilities remain unaltered.

Due to the loss of control, the assets and liabilities of the bankrupt companies are excluded from consolidation with effect from the financial year 2023, and thereby derecognised from the consolidated financial statements. Deconsolidation of the bankrupt companies will affect the consolidated financial statements significantly, resulting in an estimated positive impact on net result and equity of DKK 50-60m.

As a consequence of the bankruptcies, Lauritz.com A/S has breached its obligations towards Lauritz.com A/S's bondholders. In order to repay the debt, Vignelaure S.A.S has been put up for sale. Reference is made to note 1, 18 and 29 for further information.

Correction of statement for previous years

Due to a material error in the comprehensive income, fixed assets, and equity figures for 2021 has been adjusted. The revaluation of property was adjusted by -40.4m DKK, deferred tax decrease by 9.6m DKK and equity reduced by 30,8m DKK.

	2022 DKK'000	2021 DKK'000	2020 DKK'000	2019 DKK'000	2018 DKK'000
Statement of comprehensive income ¹					
Revenue	119,563	129,435	122,402	128,835	228,244
Gross profit	72,973	61,420	54,721	52,127	116,995
EBITDA	8,044	3,693	-2,053	-648	-5,937
Operating profit (EBIT)	-72,351	-8,154	-12,766	-13,697	-115,301
Net financials	-6,581	-7,626	-21,349	61,538	-10,940
Profit before tax (EBT)	-78,932	-15,780	-34,115	47,841	-128,773
Tax on profit for the year	-14,689	5,836	6,379	8,455	21,305
Profit/Loss for the year, continued operations	-93,621	-9,944	-27,736	56,296	-107,468
Profit/Loss for the year, discont. operations	-225	-27,150	-14,688	-37	N/A
Profit/Loss for the year	-93,846	-37,094	-42,424	56,259	-107,468
Balance sheet ²					
Non-current assets	234,566	293,572	263,096	223,478	322,080
Current assets	30,596	82,688	297,803	306,434	167,666
Current assets, available for sale	4,948	0	202,280	N/A	N/A
Balance sheet total	270,110	372,260	544,115	529,912	489,746
Share capital	2,000	2,000	2,000	2,000	2,000
Equity	2,650	83,666	84,568	121,147	30,683
Non-current liabilities	202,846	209,739	95,028	38,423	85,375
Current liabilities	64,607	82,855	364,519	300,295	373,688
Current liabilities, available for sale	7	N/A	-109,821	N/A	N/A
Cash flow ³					
Operating activities	2,636	-10,258	31,535	-2,588	-37,351
Investing activities	-6,461	59,201	-4,912	-8,627	43,981
Of this, investments in property, plant and equipment	-2,874	-2,713	-3,731	-1,822	-1,138
Financing activities	-15,581	-48,504	-10,860	-107	-15,731
Cash flow, continuing operations	-19,406	439	13,078	-2,605	N/A
Cash flow, discontinued operations	-	-16,816	2,685	-8,717	N/A
Total cash flow	-19,406	-16,377	15,763	-11,322	-9,101

¹ 2019, 2020, 2021 Profit/Loss of continued operations only. 2018 are not adjusted for discontinued operations.

² 2020, 2021 Balance sheet excluding discontinued operations. 2018-2019 are not adjusted for discontinued operations.

³ Cash flow 2018 are not adjusted for discontinued operations.

	2022 DKK'000	2021 DKK'000	2020 DKK'000	2019 DKK'000	2018 DKK'000
Ratios ⁴					
Gross margin	61.0 %	47.5 %	44.7 %	40.5 %	51.3 %
EBITDA margin	6.7 %	2.8 %	-1.7 %	-0.5 %	-2.6 %
Profit margin	-60.5 %	-6.3 %	-10.4 %	-10.6 %	-50.5 %
Equity ratio	0.9 %	22.2 %	15.5 %	22.9 %	5.7 %
Return on equity	-217.4 %	-11.8 %	-27.0 %	74.1 %	-143.0 %
Dividend per share	0	0	0	0	0
Average number of full-time employees:					
Continuing operations	74	78	74	61	158
Discontinued operations	1	1	110	113	-

⁴ Ratios for 2018 are not adjusted for discontinued operations.

Key ratios are applied and calculated as follows:

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
EBITDA margin	$\frac{\text{Operating profit/loss before depreciation, amortisation and impairment (EBITDA)} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Operating profit (EBIT)} \times 100}{\text{Revenue}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Balance sheet total}}$
Return on equity	$\frac{\text{Profit for the year} \times 100}{\text{Equity, average}}$
Dividend per share	$\frac{\text{Dividend distributed}}{\text{Average no of shares in circulation}}$

Management statement

The Board of Directors and the Executive Management have today discussed and approved the Annual Report of Blixtz Holding A/S for 2022.

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the Parent Company's financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities, and financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 2022.

Further, in our opinion the Management review includes a true and fair review of the development in the Group's and the Parent Company's operations and financial matters, of the result for the year and of the Group's and the Parent Company's financial position as well as describes the significant risks and uncertainties affecting the Group and the Parent Company.

We recommend that the Annual Report be approved at the General Meeting.

Copenhagen, 18 January 2024

Executive Management

Mette Margrethe Rode Sundstrøm
CEO

Board of Directors

Bengt Olof Tony Sundström
Chairman

Claus Clemen Boysen

Mette Margrethe Rode Sundstrøm

To the shareholder of Blixtz Holding A/S

Adverse opinion

We have audited the consolidated financial statements and the financial statements of Blixtz Holding A/S for the financial year 01.01.2022 – 31.12.2022, which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including significant accounting policies, for the Group and the company. The present consolidated financial statements and financial statements is a restatement of the financial statements and financial statements that was approved by management as of 28.06.2023. The consolidated financial statements and the financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, because of the significance of the matters discussed in the 'Basis for adverse opinion' section of our report, the consolidated financial statements and financial statements do not give a true and fair view of the group's and the company's financial position at 31.12.2022, and of the results of the group and the company's operations and cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the general meeting should not adopt the annual report.

Basis for adverse opinion

Modification to opinion regarding going concern

Management presents the consolidated financial statements and financial statements on a going concern assumption. As explained in note #1 by Management, it is essential for the company's ability to continue as a going concern that assets are sold in order for the group to be able to repay its debt in due time. Management has provided information on their ongoing and active sales process, however, the sales process has so far not resulted in a sale. In our opinion, the criteria for preparing the annual report under the assumption of to continuing as a going concern is not met especially due to an uncertainty about the sale of Vignelaure S.A.S. We therefore modify our opinion as a consequence of the fact that the financial statements have been presented on a going concern assumption

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 financial statements* section of this auditor's report. We are independent of the Group and the company in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Emphasis of matters

Amendment of consolidated financial statements and financial statements

The present consolidated financial statements and financial statements is a restatement of the consolidated financial statements and financial statements for the financial year 01.01.2022 – 31.12.2022 that was approved by management as of 28.06.2023. Therefore the consolidated financial statements and financial statements approved by management at 28.06.2023 is no longer is valid. We draw attention to the information in note #0 in which management has stated the reason for the restatement of consolidated financial statements and financial statements.

Reference to particularly uncertain factors for the recognition and measurement of items in the financial statements

We draw attention to the information in note #12 in which management accounts for its valuation of the group's vineyard located in France. The vineyard has been listed for sale.

Statement regarding the management's review

Management is responsible for the management's review.

Our opinion on the consolidated financial statements and 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 consolidated financial statements and the financial statements, it is our responsibility to read the management's review and, in doing so, consider whether the management review is materially inconsistent with the consolidated financial statements and 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 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 management's review. As described in the 'Adverse opinion' section of our report, we believe that the financial statements do not give a true and fair view.

Management's responsibilities for the consolidated financial statements and the financial statements

Management is responsible for the preparation of the consolidated financial statements and financial statements in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements and financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the financial statements, management is responsible

for assessing the group's and 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 consolidated financial statements and the financial statements unless management either intends to liquidate the group and the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the financial statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and 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 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 consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the 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 consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the financial statements, including the disclosures, and whether the consolidated financial

statements and 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.

Violation of the Danish Companies Act

Failure to keep a signed minute book

Contrary to the Danish Companies Act, the company has failed to prepare and keep a signed minute book for the Board of Directors, and management may therefore incur liability.

Aalborg, 18 January 2024

BEIERHOLM

Statsautoriseret Revisionspartnerselskab
CVR-nr. 32 89 54 68

Martin Ødum Madsen

Statsaut. revisor
MNE-nr. mne45893

Statement of comprehensive income 1 January - 31 December

<u>Notes</u>	<u>Group 2022 DKK'000</u>	<u>Group 2021 DKK'000</u>
2 Revenue	119,563	129,435
Direct costs	<u>-46,590</u>	<u>-68,015</u>
Gross profit	72,973	61,420
3 Other operating income	16,341	15,677
5 Staff costs	-49,109	-43,558
Other operating expenses	<u>-2,284</u>	<u>-440</u>
Operating profit/loss before depreciation, amortisation and impairment (EBITDA)	8,044	3,693
6 Depreciation, amortisation, and impairment losses	<u>-80,395</u>	<u>-11,847</u>
Operating profit/loss (EBIT)	-72,351	-8,154
7 Financial income	9,062	3,670
8 Financial expenses	<u>-15,643</u>	<u>-11,296</u>
Profit/Loss before tax (EBT)	-78,932	-15,780
10 Tax on profit/loss for the year	<u>-14,689</u>	<u>5,836</u>
Profit/Loss for the year, continuing operations	-93,621	-9,944
9 Profit/Loss for the year, discontinued operations	<u>-225</u>	<u>-27,150</u>
Profit/Loss for the year, total	<u>-93,846</u>	<u>-37,094</u>
Items that may be reclassified to profit/loss:		
Other comprehensive income, from continuing operations	-	-32
Other comprehensive income, from discontinued operations:		
Exchange rate adjustments, foreign companies	-	15,327
Tax on other comprehensive income	<u>-</u>	<u>-</u>
Other comprehensive income, that may be reclassified	<u>-</u>	<u>15,295</u>

Statement of comprehensive income 1 January - 31 December

<u>Notes</u>	<u>Group 2022 DKK'000</u>	<u>Group 2021 DKK'000</u>
Items that will not be reclassified to profit/loss:		
Revaluation on property	14,900	31,381
Tax on other comprehensive income	-3,278	-10,484
Revaluation on property, discontinued activities	1,450	-
Tax on other comprehensive income, discontinued activities	<u>-242</u>	<u>-</u>
Other comprehensive income, not to be reclassified	<u>12,830</u>	<u>20,897</u>
Other comprehensive income, net of tax	<u>12,830</u>	<u>36,192</u>
Total comprehensive income	<u>-81,016</u>	<u>-902</u>
Profit/Loss for the year, attributable to:		
Owners of the Company	-60,303	-21,605
Non-controlling interests	<u>-33,543</u>	<u>-15,489</u>
	<u>-93,846</u>	<u>-37,094</u>
Other comprehensive income, attributable to:		
Owners of the Company	12,528	39,971
Non-controlling interests	<u>302</u>	<u>6,721</u>
	<u>12,830</u>	<u>46,692</u>
Total comprehensive income, attributable to:		
Owners of the Company	-47,775	18,366
Non-controlling interests	<u>-33,241</u>	<u>-8,768</u>
	<u>-81,016</u>	<u>9,598</u>

Balance sheet

	Group 31.12.2022 DKK'000	Group 31.12.2021 DKK'000
Assets		
Notes		
Non-current assets		
11 Software in process of development	0	-
11 Developed software	0	2,585
11 Rights acquired	1,228	1,256
11 Goodwill	0	40,546
Total intangible assets	<u>1,228</u>	<u>44,387</u>
12 Right-of-use assets	0	5,486
12 Land and buildings	221,928	211,405
12 Other fixtures and fittings, tools, and equipment	<u>10,435</u>	<u>14,054</u>
Total property, plant, and equipment	<u>232,363</u>	<u>230,945</u>
13 Deferred tax	975	16,146
14 Deposits	<u>0</u>	<u>2,094</u>
Total financial assets	<u>975</u>	<u>18,240</u>
Total non-current assets	<u>234,566</u>	<u>293,572</u>
Current assets		
Inventories	<u>19,271</u>	<u>18,621</u>
Investments	74	74
15 Trade receivables	3,489	1,969
15 Contractual receivables	0	32,161
Tax receivable	-	-
15 Other current receivables	<u>3,921</u>	<u>6,616</u>
Total receivables	<u>7,484</u>	<u>40,820</u>
16 Cash and cash equivalents	<u>3,841</u>	<u>23,247</u>
Total current assets	<u>30,596</u>	<u>82,688</u>
15,25 Assets, available for sale	<u>4,948</u>	-
Total assets	<u>270,110</u>	<u>376,260</u>

Balance sheet

Notes	Group 31.12.2022 DKK'000	Group 31.12.2021 DKK'000
Equity and liabilities		
Equity		
Share capital	2,000	2,000
Retained earnings	-74,901	-14,598
Other reserves	<u>94,114</u>	<u>81,586</u>
Equity, attributable to owners of the company	21,213	68,988
Equity, non-controlling interests	<u>-18,563</u>	<u>14,678</u>
Total equity	<u>2,650</u>	<u>83,666</u>
Liabilities		
13 Deferred tax	54,664	51,141
17 Lease liabilities	4,264	4,174
17,18 Bank debt	28,861	32,466
17,18 Bond debt	110,351	116,640
Other liabilities	<u>4,706</u>	<u>5,318</u>
Total non-current liabilities	<u>202,846</u>	<u>209,739</u>
17,18 Bond debt	-	10,890
17,18 Lease liabilities	3,408	1,845
17,18 Debt to financial institutions	1,925	2,189
Trade payables	40,737	45,557
19 Other payables	17,146	21,493
Payables related parties and shareholder	1,391	881
Corporate taxes payable	<u>-</u>	<u>-</u>
Total current liabilities	<u>64,607</u>	<u>82,855</u>
15,25 Liabilities associated with assets available for sale	<u>7</u>	<u>-</u>
Total liabilities	<u>267,460</u>	<u>292,594</u>
Total equity and liabilities	<u>270,110</u>	<u>376,260</u>

Statement of changes in equity

	Share Capital	Retained earnings	Reserve for exchange rate adjustments	Properties revaluation reserves	Equity attributable to owners of the company	Equity, Non- controlling interests	Total Equity
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Restated Equity at 1 January 2022	2,000	-14,598	-4,250	85,836	68,988	14,678	83,666
Profit/Loss for the year	-	-60,303	-	-	-60,303	-33,543	-93,846
Other comprehensive income	-	-	-	12,528	12,528	302	12,830
	2,000	-74,901	-4,250	98,364	21,213	-18,563	2,650
Dividend to shareholders	-	-	-	-	-	-	-
Equity at 31 December 2022, Total	2,000	-74,901	-4,250	98,364	21,213	-18,563	2,650
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Equity at 1 January 2021	2,000	7,007	-12,825	64,939	61,121	23,447	84,568
Profit/Loss for the year	-	-21,605	-	-	-21,605	-15,489	-37,094
Other comprehensive income	-	-	8,575	20,897	29,472	6,720	36,192
	2,000	-14,598	-4,250	85,836	68,988	14,678	83,666
Dividend to shareholders	-	-	-	-	-	-	-
Restated Equity at 31 December 2021, Total	2,000	-14,598	-4,250	85,836	68,988	14,678	83,666

Statement of cash flows

<u>Notes</u>	Group 31.12.2022 DKK'000	Group 31.12.2021 DKK'000
Operating profit/loss (EBIT)	-72,351	-8,154
Depreciation, amortisation, and impairment losses	80,378	11,865
Impairment and losses on receivables/payables	-8,090	-
Increase/decrease in inventories	-650	632
Increase/decrease in receivables	22,844	4,797
Increase/decrease in trade payables and other payables	-12,412	138
Other adjustments	-	-2,957
Cash flows from ordinary operating activities	9,719	6,321
Interest received	776	1,206
Interest and financial expenses paid	-7,859	-17,785
Cash flows from operating activities	2,636	-10,258
Purchase of property, plant, and equipment	-2,874	-2,713
Sale of property, plant, and equipment	11	-
Purchase of intangible assets	-1,164	-1,798
Purchase of financial assets	-434	-
22 Acquisitions and divestments	-2,000	63,712
Cash flows from investing activities	-6,461	59,201
17 Repayment, bonds	-10,640	-33,111
17 Repayment, senior loan	-	-13,375
17 Repayment, lease liabilities	-2,822	-1,732
Repayment, bank debt	-3,869	-286
Proceeds from other debt	2,000	-
Repayment, other debt	-250	-
Cash flows from financing activities	-15,581	-48,504
Net cash flows for the year	-19,406	439
Net capital resources, beginning of year	23,247	21,873
Exchange rate adjustment of capital resources	-	935
Net capital resources, end of year	3,841	23,247
Net capital resources, end of year, are composed as follows:		
Cash and cash equivalents	3,841	23,247
25 Cash and cash equivalents, discontinued operations	-	-
Net capital resources, end of year	3,841	23,247

For information about the cash flow for discontinued operations we refer to note 9.

0. Restatement of Annual Report

This Annual Report is a restatement of the Annual Report for the financial year 01.01.2022 – 31.12.2022 that was approved by the Management as of 28 June 2023, and which is no longer valid.

The restatement is caused by an enforcement notice issued by the Danish Business Authority as of 9 November 2023, in which the Management is obliged to submit a new and approved Annual Report for the financial year 2022 due to the lack of information concerning restructuring proceedings of six subsidiaries (of which two were acquired in 2023 after the balance sheet date) on the day of the Management's approval of the Annual Report, 28 June 2023.

Subsequently, as of 11 July 2023, the mentioned subsidiaries have been declared bankrupt. The accounting effects of these bankruptcies are further disclosed in note 29.

1. Going Concern

The bankruptcy of six group subsidiaries including Lauritz.com Group A/S and Lauritz København ApS – created a need to put Vignelaure S.A.S. up for sale as the bond debt in Lauritz.com A/S was partially secured by e.g. the shares in Vignelaure S.A.S. and a mortgage on a property owned by Vignelaure S.A.S according to the statement presented in note 18. Going concern in the Blixt Holding A/S group depends on the sale of Vignelaure S.A.S. in 2024 and its selling price, since it must cover the remaining debt within the group.

The property owned by Vignelaure S.A.S is recognized at fair value as presented in note 12. Estimation of fair value is subject to uncertainty due to the nature of the asset and the market conditions as described in note 29 to which we refer.

The management considers it realistic that there will be a buyer for Vignelaure S.A.S in 2024. It is also expected that a profit can be made from a sale that is expected in terms, that at least reflects the fair value of the property recognized in the annual report for 2022. However, there is a natural uncertainty about this until a sale has been completed.

Based on the above management assess that the cash resources within the Blixt Holding A/S group are sufficient to ensure the future operations of the Group. On this basis the annual report is prepared on a going concern basis.

	Group 2022 DKK'000	Group 2021 DKK'000
2. Revenue		
Auction commissions and fees etc.	113,431	123,706
Other revenue, marketing contribution etc.	<u>6,132</u>	<u>5,729</u>
	<u>119,563</u>	<u>129,435</u>

The Group has no single key customers.

3. Other operating income

Rental and other income, including sale of wine	<u>16,341</u>	<u>15,677</u>
	<u>16,341</u>	<u>15,677</u>

Notes

	Group 2022 DKK'000	Group 2021 DKK'000
4. Other external expenses		
Fees to auditors appointed at the annual general meeting		
Audit services	895	827
Other services	<u>-</u>	<u>11</u>
	<u>895</u>	<u>838</u>

Other services consist of advisory services related to financial statements and tax advisory in relation to acquisitions, divestments, and sale of assets.

Other external expenses include impairment losses on receivables of DKK -121k (-425k).

5. Staff costs

Wages and salaries	43,126	38,856
Defined contribution pension plans, cf. below	1,161	1,196
Other social security costs	2,219	1,740
Other staff costs	<u>2,603</u>	<u>1,766</u>
	<u>49,109</u>	<u>43,558</u>

Average number of full-time employees	<u>74</u>	<u>78</u>
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The group has contribution pension plans with the majority of the employees in the Danish group enterprises. According to the concluded agreement, the group enterprises pay a monthly amount of 5 percent of the concerned employees' basic salary. The contribution recognized in the income statement in this respect has been stated above.

Wages and salaries for include subsidies and compensation of DKK 0.1m (0.1m) of which none were related to COVID-19 relief packages.

Remuneration of Executive Management, Blixtz Holding A/S

Key management is defined as Board of Directors and Executive Management.

Remuneration for Board of Directors and Executive Management	<u>2,963</u>	<u>2,993</u>
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According to the Danish Financial Statement Act paragraph 98b, section 3 remuneration to Executive management has not been disclosed separately.

Notes

	Group 2022 DKK'000	Group 2021 DKK'000
6. Depreciation, amortisation, and impairment losses		
Depreciation land and buildings	1,025	1,026
Depreciation right-of-use assets	2,937	1,935
Depreciation other fixtures, tools, and equipment	1,552	1,379
Gains/losses from disposal	17	-19
Amortisation rights acquired	28	3,290
Amortisation, developed software	2,664	4,237
Impairment losses, software	1,086	0
Impairment losses, goodwill	56,456	0
Impairment losses, right-of-use assets	7,119	0
Impairment losses, other fixtures, tools, and equipment	4,704	0
Impairment losses, deposits	2,807	0
	80,395	11,847

7. Financial income

Interest income	705	1,203
Interest income from financial assets	705	1,203
Exchange rate gains	8,357	2,467
	9,062	3,670

Exchange rate gains are primarily related to the bonds debt denominated in SEK.

8. Financial expenses

Interest expenses	568	1,280
Interest expenses, lease liabilities	472	842
Other financial expenses, bank charges etc.	1,535	666
Financial expenses, debt	5,099	8,107
Financial expenses from financial liabilities	7,674	10,895
Impairment losses receivables, current accounts	7,969	152
Exchange rate loss	-	249
	15,643	11,296

Notes

	Group 2022 DKK'000	Group 2021 DKK'000
9. Discontinued operations		
Revenue	-	32,613
Direct costs	-	-4,195
Gross profit	-	28,418
Result from divestment of activities, note 22	-	-5,351
Other income	294	-
Other external expenses	-338	-6,088
Staff costs	-168	-18,219
Operating profit/loss before depreciation, amortisation and impairment (EBITDA)	-212	-1,240
Depreciation, amortisation, and impairment losses*	-13	-4,574
Operating profit/loss (EBIT)	-225	-5,814
Financial income	-	9
Financial expenses	-	-16,477
Profit/Loss before tax (EBT)	-225	-22,282
Tax on profit/loss for the year	-	-4,868
Profit/Loss for the year, from discontinued operations	-225	-27,150
<p>Discontinued activities in 2022 includes activities in South Africa in 2022 and 2021 includes activities in Finland, Sweden and Germany in the period from until the sale in May of 2021.</p>		
Cashflow, discontinued activities:		
Cashflow from operational activities	-5	-12,762
Cashflow from investment activities	-	-
Cashflow from financing activities	-	-4,054
Net cashflow for the year	-5	-16,816
Net capital resources, beginning of year	37	33,509
Exchange rate adjustment of capital resources	-	-129
Net capital resources	32	16,564

Notes

	Group 2022 DKK'000	Group 2021 DKK'000
10. Tax on profit/loss for the year		
Current tax for the year	-	-
Deferred tax change for the year	15,964	-5,639
Adjustment to taxes, prior years	-486	-143
Adjustment to deferred tax, prior years	<u>-789</u>	<u>-55</u>
Tax on profit/loss for the year	<u>14,689</u>	<u>-5,836</u>

Current tax for the financial year is for Danish enterprises based on a tax rate of 22.0 % (2020: 22.0 %).

Tax on profit/loss for the year is made up as follows:

Computed 22.0 % tax on profit/loss for the year before tax (2021: 22.0 %)	-16,284	-4,099
Adjustment to taxes, prior years	-486	-143
Adjustment to deferred tax, prior years	-789	-55
Change in value of previously unrecognized tax asset	15,356	2,829
Tax effect of non-deductible expenses/non-taxable income	<u>16,892</u>	<u>-4,368</u>
	<u>14,689</u>	<u>-5,836</u>
Effective tax rate	<u>Negative</u>	<u>37.0 %</u>

Tax on other comprehensive income DKK 3,520k (2021: DKK 14,384k).

Deductible temporary differences and unused tax losses for which no deferred tax asset is recognised in the statement of financial position is related to activities declared bankrupt and deconsolidated in July 2023 amounts to approximately DKK 333m (DKK 240m).

Notes

11. Intangible assets (DKK'000)

	<u>Software in process of development</u>	<u>Developed software</u>	<u>Rights acquired</u>	<u>Goodwill</u>
Cost at 1 January 2022	64	60,288	12,021	93,199
Exchange rate adjustments	-	1	-	-
Additions	964	200	-	1,910
Additions from acquisitions	-	-	-	14,000
Disposals	-64	-1,339	-	-
Transferred	-606	606	-	-
Cost at 31 December 2022	<u>358</u>	<u>59,756</u>	<u>12,021</u>	<u>109,109</u>
Amortisation at 1 January 2022	-	57,703	10,765	-
Impairment losses at 1 January 2022	64	-	-	52,653
Impairment for the year	358	728	-	56,456
Exchange rate adjustments	-	-	-	-
Amortisation for the year	-	2,664	28	-
Disposals	-64	-1,339	-	-
Amortisation and impairment losses at 31 December 2022	<u>358</u>	<u>59,756</u>	<u>10,793</u>	<u>109,109</u>
Carrying amount at 31 December 2022	<u>0</u>	<u>0</u>	<u>1,228</u>	<u>0</u>
Cost at 1 January 2021	686	60,726	10,223	93,199
Exchange rate adjustments	-	47	-	-
Additions	-	-	1,798	-
Disposals	-	-1,107	-	-
Transferred	-622	622	-	-
Cost at 31 December 2021	<u>64</u>	<u>60,288</u>	<u>12,021</u>	<u>93,199</u>
Amortisation at 1 January 2021	-	54,526	7,474	-
Impairment losses at 1 January 2021	64	-	-	52,653
Exchange rate adjustments	-	47	1	-
Amortisation for the year	-	4,237	3,290	-
Disposals	-	-1,107	-	-
Amortisation and impairment losses at 31 December 2021	<u>64</u>	<u>57,703</u>	<u>10,765</u>	<u>52,653</u>
Carrying amount at 31 December 2021	<u>-</u>	<u>2,585</u>	<u>1,256</u>	<u>40,546</u>

11. Intangible assets (continued)

The intangible assets are mainly related to the activities of Lauritz.com Group A/S and Lauritz København ApS. These subsidiaries were declared bankrupt on 11 July 2023, which effect the recoverable amount of the intangible assets significantly, as the bankruptcies are considered adjusting events.

Recoverable amount at 31 December 2022:

At 31 December 2022, management has tested the carrying amount of goodwill, software in process of development and other intangible assets for impairment.

The key assumptions underlying the discounted cashflow calculation of value in use at 31 December 2022, are that there are no positive cash flow from the activities of the bankrupt companies.

Hence, the recoverable amount is considered to be DKK 0m resulting in impairment loss relating to goodwill of DKK 56,5m, and impairment loss relating to software of DKK 1,1m (no impairment losses in 2021).

Recoverable amount at 31 December 2021:

At 31 December 2021, the key assumptions underlying the discounted cashflow calculation of value in use are the determination of Auction Turnover growth, EBITDA growth, discount rate and terminal value growth rate for the 2022 period and the forecast period 2023-2027 and the terminal period.

The assessment of growth rate in auction turnover is by nature subject to material uncertainty which naturally impacts the forecasted EBITDA. The Impairment test is based on a successful return to growth, although at a lower growth rate than seen previously and management assess that the used assumptions are realistic to realize.

Auction turnover and EBITDA growth is determined based on historical performance, and auction turnover and EBITDA realized in the period immediately prior to the beginning of the budget period, adjusted for nonrecurring expenses, expected market developments and enterprises acquired and divested.

Impairment test is based on a turnaround where auction turnover increases by 5-15 % in 2022 compared to 2021, and by 5-10% per year in the forecast period 2023 until 2027. Cost development in the forecast period is moderate and primarily driven by increase in commission to partners as well as staff cost and variable cost in own auction houses driven by the higher activity level, whereas the growth in cost for rent of premises is low as the growth in activity can be handled in the physical locations currently in use.

EBITDA is expected to grow from DKK 2.7m in 2021 to a level between DKK 3m and DKK 8m in 2022. This increase in EBITDA is primarily due to growth in Revenue, and further strengthened by a change in business setup with more owned auction houses and a number of cost-cutting initiatives and other initiatives in relation to how the business is operated.

Growth in auction turnover is driving value creation in the business. Economies of scale are quite high, resulting in a yearly growth in EBITDA of 15-25 percent, bringing EBITDA to a level between DKK 20m and 25m at the end of the forecast period. When determining investments, the effect of EBITDA growth is included based on historical experience, equivalent to an investment level of approximately 10-15 percent of budgeted EBITDA. The effect of expected acquisitions is not included at investment level.

The discount rate is determined based on the Company's marginal borrowing rate plus a risk premium that reflects the risk involved in investing in shares and the risk involved in the activity performed, equivalent to a pre-tax discount rate of 11.5 percent.

The terminal value growth rate of 0.5 percent p.a. is based on estimated economic growth.

Notes

12. Property, plant, and equipment (DKK'000)

	<u>Right-of-use assets</u>	<u>Land and buildings</u>	<u>Other fixtures etc.</u>
Cost at 1 January 2022	7,891	111,772	37,020
Exchange rate adjustments	-	-24	-57
Additions	1,582	-	2,874
Additions from acquisitions	3,175	-	200
Transfer to discontinued activities	-	-3,330	-252
Remeasuring of value of assets	2,607	-	-
Disposal/expired	-2,118	-	-868
Cost at 31 December 2022	<u>13,137</u>	<u>108,418</u>	<u>38,917</u>
Revaluation at 1 January 2022	-	121,574	-
Revaluation for the year	-	16,350	-
Transfer to discontinued activities	-	-1,450	-
Revaluation at 31 December 2022	<u>-</u>	<u>136,474</u>	<u>-</u>
Depreciation at 1 January 2022	2,405	21,941	22,966
Exchange rate adjustments	-	-2	-26
Impairment for the year	10,008	-	4,704
Depreciation for the year	2,937	1,025	1,583
Transfer to discontinued activities	-	-	-130
Depreciation related to disposals/expirations	-2,213	-	-615
Depreciation at 31 December 2022	<u>13,137</u>	<u>22,964</u>	<u>28,482</u>
Carrying amount at 31 December 2022	<u>0</u>	<u>221,928</u>	<u>10,435</u>
Cost at 1 January 2021	9,121	112,153	35,193
Exchange rate adjustments	-	-668	-26
Additions	516	287	2,532
Remeasuring of value of assets	941	-	-
Transfer to discontinued activities (restated)	-	-	-
Disposal/expired	-2,687	-	-680
Cost at 31 December 2021	<u>7,891</u>	<u>111,772</u>	<u>37,020</u>
Revaluation at 1 January 2021	-	90,193	-
Revaluation for the year (restated)	-	31,381	-
Revaluation at 31 December 2021	<u>-</u>	<u>121,574</u>	<u>-</u>
Depreciation at 1 January 2021	3,310	20,915	22,255
Exchange rate adjustments	-	-	-14
Depreciation for the year	1,935	1,026	1,379
Depreciation related to disposals/expirations	-2,840	-	-654
Depreciation at 31 December 2021	<u>2,405</u>	<u>21,941</u>	<u>22,966</u>
Carrying amount at 31 December 2021	<u>5,486</u>	<u>211,405</u>	<u>14,054</u>

12. Property, plant, and equipment (continued)

Fair value

Land and buildings consist of a wine estate located in Provence (France), at the borderline between the two districts Var and Bouches-du-Rhône, with land in both districts. It is classified in the AOC Côteaux d'Aix-en-Provence appellation. The wine estate is owned by Vignelaure S.A.S.

The wine estate comprises vineyard, land to plant, woods and park as well as a range of buildings, including the main house on three floors, wine cellar, an artist studio, multiple apartments etc.

As of 31 December 2022 and 2021, the fair value of the wine estate is based on valuations performed by an appraiser, who is a specialist in appraising these particular types of properties. The valuation of the wine estate is considered to be level 3 in the fair value hierarchy due to significant unobservable inputs used in the valuation.

	<u>2022</u> <u>DKK'000</u>	<u>2021</u> <u>DKK'000</u>
Carrying amount and fair value as of 1 January	211,405	181,050
Transfer to discontinued activities	-3,352	-
Depreciation for the year	-1,025	-1,026
Level 3 revaluation gains recognized in other comprehensive income	<u>14,900</u>	<u>31,381</u>
Carrying amount and fair value as of 31 December	<u>221,928</u>	<u>211,405</u>

The unique character of the group's land and buildings hinder the use of a standardized model of calculation, hence the valuation is initially based on separate valuations of the different elements constituting the wine estate taken one by one, and secondly the exclusiveness and amenity value is taken into account in terms of the overall quality of the wine estate, the international brand value, the growth potential in this context and the access to water with the Canal de Provence. The fair value has also been compared to the selling price of other wine estates (market approach).

The valuation of the wine estate is based on unobservable inputs of which the most significant inputs are as follows:

Vineyard, Price per ha, 31 December 2022: DKK 1,490,000 (31 December 2021: DKK 1,341,000)
Sensitivity of the input to fair value: 2% increase (decrease) in the price per ha would increase (decrease) the fair value by DKK 1,639,000 (31 December 2021: DKK 1,475,000).

Premium for amenity value (added to land and buildings), 31 December 2022: 24% (31 December 2021: 26%)

Sensitivity of the input to fair value: 2% increase (decrease) in the premium would increase (decrease) the fair value by DKK 3,740,000 (31 December 2021: DKK 3,480,000).

Impairment

Right-of-use assets is based on the present value of rental agreements for showrooms, warehouses, office space and other facilities. Depreciation is straight-line on basis of the underlying contracts.

The bankruptcy of six subsidiaries of the group including Lauritz.com Group A/S and Lauritz København ApS is considered an indication of impairment. Hence, the right-of-use assets and other fixtures related to the activities of Lauritz.com Group A/S and Lauritz København ApS are tested for impairment at 31 December 2022.

The key assumptions underlying the discounted cashflow calculation of value in use at 31 December 2022, are that there are no positive cash flows from the activities of the bankrupt companies. Hence, the recoverable amount is considered to be DKK 0m resulting in impairment loss relating to right-of-use assets of DKK 7.1m, and impairment loss relating to other fixtures of DKK 4.7m (no impairment losses in 2021).

Notes

	Group 2022 DKK'000	Group 2021 DKK'000
13. Deferred tax		
Deferred tax at 1 January	-34,995	-27,414
Exchange rate adjustments	1	2
Adjustments, prior years	789	1,162
Deferred tax on profit/loss for the year	-793	5,639
Deferred tax on other comprehensive income	<u>-3,520</u>	<u>-14,384</u>
Deferred tax at 31 December, net	<u>-53,689</u>	<u>-34,995</u>

Specification of deferred tax:

Tax losses carry forwards	0	8,044
Land & Property	-54,666	-51,141
Other timing differences, other assets and liabilities	<u>477</u>	<u>8,102</u>
	<u>-53,689</u>	<u>-34,995</u>

Each of the changes in deferred tax is recognized in profit/loss or other comprehensive income for the year.

Deferred tax is recognized as follows in the balance sheet:

Deferred tax (asset)	975	16,146
Deferred tax (liability)	<u>-54,664</u>	<u>-51,141</u>
Deferred tax at 31 December, net	<u>-53,689</u>	<u>-34,995</u>

14. Financial assets (DKK'000)

	<u>Deposits</u>
Cost at 1 January 2022	2,094
Transfer to discontinued activities	-8
Addition	434
Acquisition	<u>287</u>
Cost at 31 December 2022	<u>2,807</u>
Impairment losses at 1 January 2022	0
impairment for the year	<u>2,807</u>
Impairment at 31 December 2022	<u>2,807</u>
Carrying amount at 31 December 2022	<u>0</u>
Cost at 1 January 2021	1,857
Exchange rate adjustments	1
Addition	<u>236</u>
Cost at 31 December 2021	<u>2,094</u>
Carrying amount at 31 December 2021	<u>2,094</u>

Notes

	Group 31.12.2022 DKK'000	Group 31.12.2021 DKK'000
15. Receivables		
Trade receivables	3,489	1,969
Contractual receivables	0	32,161
Other receivables	<u>3,921</u>	<u>6,616</u>
	<u>7,410</u>	<u>40,746</u>

Contractual receivables relate to the sale of 2 (5) partnership agreements and 0 (1) sale of shares. The contractual receivables from sale of partnerships agreements are in the range of DKK 2.0m to DKK 6.0m. Receivables from sale of partnership agreements are interest bearing. The repayment of the receivables is based on performance and repaid on a monthly or quarterly basis. Contractually Lauritz.com has various possibilities to collect the receivable up to and including the option of taking over the branch. The receivable related to the sale of shares is non-interest bearing and has no contingencies. Of the contractual receivables DKK 0.0m (17.7m) is expected to mature after 12 months. As a consequence of the bankruptcy of Lauritz.com Group A/S and Lauritz København ApS, the contractual receivables are considered impaired. The impairment amounts to DKK 8.0m (no impairment losses in 2021).

Impairment of trade receivables and other receivables is made based on expected credit loss.

The impairment test performed on the receivables from sale of partnership agreements is based on the expected performance, the historic track record for repayments and the expected resale value of the auction house.

The impairment losses included in receivables have developed as follows:

	2022 DKK'000	2021 DKK'000
Lifetime Expected Credit Loss:		
Impairment losses at 1 January	981	3,893
Realised impairments losses	-92	-2,912
Impairment losses for the period	<u>7,969</u>	<u>-</u>
Impairment losses at 31 December	<u>8,858</u>	<u>981</u>

The group has no significant credit risks in trade receivables related to a single customer or market. Impairment of trade receivables is based on a provision matrix based on historical losses adjusted for specific and general changes in circumstances.

The group has credit risks related to other receivables as described above. In determining the expected credit losses for these assets, impairments are recognized if the receivables show indication of impairment.

16. Cash and Cash equivalents

Cash and cash equivalents include restricted cash amounting to DKK 0.5m (0.5m).

Notes

	Group 31.12.2022 DKK'000	Group 31.12.2021 DKK'000
17. Financial liabilities and financial activities		
Financial liabilities include:		
Bond debt, non-current	108,601	116,640
Bond debt, current	-	10,890
Other non-current debt	1,150	-
Other current debt	600	-
Senior loan	-	-
Bond debt & Senior loan debt	<u>110,351</u>	<u>127,530</u>
Lease liabilities, non-current	4,264	4,174
Lease liabilities, current	<u>3,408</u>	<u>1,845</u>
Lease liabilities	<u>7,672</u>	<u>6,019</u>
The financial activities are:		
	<u>Bond debt & other debt DKK'000</u>	<u>Lease liabilities DKK'000</u>
Financial liabilities 1 January 2022	127,530	6,019
Cash flow from settlements	-10,893	-2,822
Non-cash changes:		
Exchange rate adjustments	-8,286	-
Added new liabilities	2,000	1,300
Liabilities from acquisition	-	3,175
Remeasure of liabilities	-	<u>0</u>
Financial liabilities 31 December 2022	<u>110,351</u>	<u>7,672</u>
Financial liabilities 1 January 2021	176,386	6,141
Cash flow from settlements	-46,486	-1,732
Non-cash changes:		
Exchange rate adjustments	-2,370	153
Added new liabilities	-	516
Remeasure of liabilities	-	<u>941</u>
Financial liabilities 31 December 2021	<u>127,530</u>	<u>6,019</u>

18. Bond debt and Senior loan / refinancing activities of the group

The parent company, Blixtz Holding A/S, issued unlisted corporate bonds on 1 July 2016 with a principal amount of DKK 15m. The bonds carry interest at 5 percent and are redeemed at par after five years from the date of issue. As from June 2021 the bond terms were changed. The final redemption date is 30 June 2024. Annual interest payment is 2.5 percent, and the accrued remaining interest payment is due on redemption date in June 2024.

The subsidiary, Lauritz.com A/S, has a bond originally issued in 2014, with amended terms from 2021.

The main terms of the bond debt at 31.12.2022 (the balance sheet date) are:

- Outstanding principal amount SEK 140m (SEK 155m).
- Fixed interest rate of 4.0 percent on the principal amount SEK 140m.
- Final redemption date of SEK 140m is 17 December 2024, no yearly redemptions.
- Interest for the period 17 December 2020 to 17 December 2021 to be paid at maturity of the bond in December 2024.
- Security EUR 12.7m to secure the bonds in form of a pledge in shares and the vineyard Chateau Vignelaure. The security is capped to 10.5 m EUR in total by agreement with bond holders.

The loan obligations in Lauritz.com A/S have been breached after the balance sheet date. Reference is made to note 26 for further information.

19. Other payables

Other payables include payroll taxes, holiday pay, payable VAT, severance pay and other costs payable.

20. Financial risks

Currency risks

The Group's currency risks for the continuing operations are primarily related to the bond debt denominated in SEK. The remaining currency exposure is primarily EUR. The difference between ingoing and outgoing payments denominated in the same currency is a measure of currency risk.

2022 (DKK'000)	Cash and cash equivalents	Receivables	Bank debt	Bond debt	Other liabilities	Net position
EUR	267	1,913	-29,427	-	-2,127	-29,374
SEK	-	1,479	-	-93,604	-4,706	-96,831
31 December 2022	267	3,392	-29,427	-93,604	-6,833	-126,205
2021 (DKK'000)						
NOK	364	100	-	-	-149	315
EUR	2,424	3,966	-34,665	-	-2,674	-30,949
ZAR	37	-	-	-	-13	24
SEK	85	1,720	-	-112,530	-4,984	-115,709
31 December 2021	2,910	5,786	-34,665	-112,530	-7,820	-146,949

20. Financial risks (continued)

The bonds issued and other debt in SEK and so the principal amount is subject to exchange rate fluctuations between the company's functional currency DKK, and SEK. A 5 % change in the SEK rate at 31 December 2022 would affect comprehensive income and equity by 30pprox. DKK 3.8 (4.9m).

Interest risks

The group has interest-bearing financial assets and liabilities and so it is affected by interest rate fluctuations. Following the restructuring of the bond debt, which included a change to fixed interest rates on the bond debt, the impact of fluctuations in the level of interest rates on the groups comprehensive income and equity has diminished significantly and is primarily related to interest on cash in bank accounts.

Liquidity risks

The following table detail the group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the group may be required to pay.

2022 (DKK'000)	0-1 years	1-2 years	2-3 years	3+ years	Total
Bond principal	-	98,310	-	-	98,310
Bond interest	3,932	2,693	-	-	6,625
Lease liabilities	3,408	2,361	1,903	-	7,672
Bank debt	2,975	7,058	6,696	14,058	30,787
Other liabilities	56,405	1,479	-	-	57,884
31 December 2022	66,720	111,901	8,599	14,058	201,278
2021 (DKK'000)	0-1 years	1-2 years	2-3 years	3+ years	Total
Bond principal	10,890	-	121,958	-	132,848
Bond interest	4,645	4,645	7,775	-	17,065
Lease liabilities	1,845	1,531	1,550	1,093	6,019
Bank debt	1,813	-	-	31,488	33,301
Other liabilities	92,211	-	-	-	92,211
31 December 2021	111,404	6,176	131,283	32,581	281,444

For the majority of the liabilities, the fair values are not materially different from their carrying amounts, due to pledges and since the interest is either close to current market rates or the borrowings are of a short-term nature.

The group aims to have adequate cash resources to continuously carry out transactions appropriately as regards operations and investments. The group's cash reserve consists of cash and cash equivalents. The group's liquidity is mainly based on operating profits and the difference between the time of payment and the time of settlement. To maintain the current liquidity level, the group is therefore dependent on continued growth and positive earnings. Management assesses the group's liquidity requirements on a regular basis. Refer to note 1 Going concern.

20. Financial risks (continued)

Credit risks

The group is not exposed to significant credit risks on trade receivables as all items are handed in on a commission basis, and items from auctions are not handed out until payment has been made. Payments are mostly affected by way of credit cards or bank transfer. The company has only experienced few cases of credit card fraud. Moreover, reputable collaborators are used for managing cash flows, mainly Valitor, ALTAPAY, Jyske Bank, Danske Bank, SEB and DNB.

Credit risks related to receivables are disclosed in note 15.

Other

The group regularly assesses its capital structure with a view to ensuring adequate capital in the Group. Only equity is managed as capital. Reference is made to note 18 and management's current activities regarding refinancing of the group and to note 1 for going concern considerations.

21. Dividend

In 2022, DKK 0 in ordinary dividend has been distributed to the shareholders of Blitz Holding A/S, equaling DKK 0 per share (2021: DKK 0 per share).

For the financial year 2022, the Board of Directors has proposed dividend of DKK 0k, corresponding to DKK 0 per share.

22. Acquisitions and divestments

Acquisitions in 2022:

In 2022 the Group acquired showroom operations (100%) in Esbjerg, Søborg and Roskilde from previous partners, to operate the showrooms ourselves.

	<u>DKK'000</u>
Tangible assets	175
Goodwill	13,999
Financial assets	287
Receivables	1,841
Cash and cash equivalents	<u>1,289</u>
Total assets	17,591
Current debt	-3,097
Payables to vendors etc.	-277
Other payables	<u>-1,725</u>
	12,492
Debt transfer	<u>-10,492</u>
Payable amount	<u>2,000</u>
Total consideration, net	<u>2,000</u>

22. Acquisitions and divestments (continued)

No part of the total consideration is recognized as contingent consideration. The Group has acquired net assets totaling DKK 3.6m including cash acquired of DKK 1.3m but excluding goodwill. The goodwill is attributable to synergies and the profitability of the acquired business. It will not be deductible for tax purposes. Subsequently, goodwill is impaired due to bankruptcy of the acquired business.

The group has incurred transaction costs of DKK 0k. The group's 2022 revenue was not impacted by the acquisitions. Of the group's 2022 profit/loss before tax DKK 0,6m is attributable to the acquired activities.

Had the 2022 acquisitions been made at the beginning of the year the revenue for the group would be the same as reported, and the profit/loss before tax of the group for the period would have been negatively impacted by 2,7m.

After the balance sheet date 100% of two minor businesses were acquired. The initial accounting for the business combination is incomplete. Both went bankrupt in July 2023 with no significant impact to the group.

Acquisitions in 2021, auction house in Köln

On 4 January 2021 the group acquired the activities of the Lauritz.com auction house in Köln from previous partner, to operate this auction house ourselves or divest.

	<u>DKK'000</u>
Fixed assets	106
Other receivables	219
Cash and cash equivalents	17
Other payables	<u>-342</u>
Net assets acquired	0
Goodwill	<u>-</u>
Total consideration	<u>0</u>

Divestments in 2021, auction activities in Stockholms Auktionsverk, Karlstad Hammarö and 3 German auction houses

In May 2021 the group finalized the divestment of auction activities in Stockholms Auktionsverk, Karlstad Hammarö and 3 German auction houses.

	<u>DKK'000</u>
Divested activities, at disposal in May 2021:	
Net assets divested	<u>113,674</u>
Cash settlement at closing	75,994
Receivable (deferred payment May 2022 15m SEK)	11,037
Debt transfer to buyer	<u>33,573</u>
Total consideration	<u>120,604</u>
Cost of sale total	<u>12,281</u>
Result from sale of activities	<u>-5,351</u>

22. Acquisitions and divestments (continued)

No part of the total consideration is recognized as contingent consideration. The group has divested net assets totalling DKK 113.7m including cash of DKK 16.6m. The group has incurred transaction costs of DKK 12.3m.

23. Contingencies etc.

Contingent liabilities, consolidated financial statements

Lands and buildings and other fixtures with a carrying amount of DKK 225.6m (2021: 170.5m) have been pledged to secure borrowings of the group. The pledge amounts to EUR 10.5m. (2021: 10.5m) For further information see note 18.

The Swiss bank Van Lanschot has a pledge in the Lauritz.com Group A/S-shares for the existing bank debt with a carrying amount of DKK 1.6m (2021: 2.7m).

The group has issued a letter of support to the subsidiaries Ejendomsselskabet Blixtz ApS, Lauritz.com Globen AB and Lauritz Shop A/S. This is not expected to have any impact on comprehensive income or equity.

The group participates in a national joint taxation arrangement with Blixtz Holding A/S (Parent Company) serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the group is therefore liable for income taxes etc. for the jointly taxed companies, which is limited to the equity interest by which the entity participates in the group as well as for obligations, if any, relating to the withholding of tax on interest, royalties, and dividends for the jointly taxed companies. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the financial statement of the administration company.

24. Related parties

Related parties with a controlling interest

The following related parties have a controlling interest in Blixtz Holding A/S:

<i>Name</i>	<i>Registered office</i>	<i>Basis of control</i>
Bengt Olof Tony Sundström	Klampenborg	Shareholder is holding the majority of voting rights in Blixtz Holding A/S

<i>Subsidiaries</i>	<i>Registered office</i>	<i>Ownership interest</i>
Lauritz.com Group A/S (1)		Søborg, Denmark 56 %
Lauritz.com A/S (1)	Søborg, Denmark	56 %
LC Danmark ApS (1)	Søborg, Denmark	56 %
Lauritz Shop A/S (1+2)	Søborg, Denmark	56 %
QXL.no AS (2)	Oslo, Norway	56 %
Lauritz.com SE1 AB (dormant) (2)	Helsingborg, Sweden	56 %
Lauritz.com SE2 AB (dormant) (2)	Helsingborg, Sweden	56 %
Lauritz.com Globen AB (dormant) (2)	Stockholm, Sweden	56 %
Lauritz København ApS (1)	Søborg, Denmark	100 %
Ejendomsselskabet Blixtz ApS	Herlev, Denmark	100 %
Vignelaure S.A.S. (2)	Rians, France	100 %
Göholms skog och lantbruk AB (2)	Ronneby, Sweden	100 %
Passionsfabrikken ApS (2)	Herlev, Denmark	100 %

Notes

24. Related parties (continued)

Subsidiaries held for sale

Goodwill Mountain (Pty) Ltd. (3)	Cape Town, South Africa	75 %
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(1): The company is bankrupt as of 11 July 2023.

(2): The company is not audited by Beierholm.

(3): Sold during 2023

Financial information of subsidiaries that have material non-controlling interests is not provided due to bankruptcy in July 2023. Refer to note 26 and 29 for impact to the Group.

Related individuals

Bengt Olof Tony Sundström, Chairman of The Board of Directors (since 2005)

Mette Margrethe Rode Sundstrøm, CEO (since 2005)

Claus Clemen Boysen, Member of The Board of Directors (since 2013)

John Tyrrestrup, Member of The Board of Directors (since 2005 and resigned 2023)

Transactions with related parties

Blixt Holding A/S did not enter significant transactions with members of the Board or the Executive Management, except for compensation and benefits received because of their membership of the Board, employment with Lauritz.com Group A/S or shareholdings in Lauritz.com Group A/S. See note 5.

25. Available for sale

	Disposal Group 31.12.2022 DKK'000
Goodwill Mountain	
Assets	
Other fixtures and fittings, tools, and equipment	122
Property, land, and buildings	3,330
Deposits	9
Trade receivables	5
Cash and cash equivalents	32
Total assets available for sale	3,498
Liabilities	
Other payables	6
Total liabilities available for sale	6

Assets and liabilities available for sale as of 31 December 2022 include the rental property in South Africa. A sale agreement was completed in February 2023.

For result of the divestment of the assets and liabilities available for sale, please refer to note 22.

26. Events after the balance sheet date

On 28 June 2023, six subsidiaries (of which two were acquired in 2023) petitioned for restructuring proceedings. Subsequently, on 11 July 2023, these subsidiaries were adjudicated bankrupt, which entails a loss of control of the subsidiaries concerned. In accordance with the financial reporting standards, the majority of the assets regarding the bankrupt subsidiaries were impaired as of 31 December 2022, while the liabilities remain unaltered.

Due to the loss of control, the assets and liabilities of the bankrupt companies are excluded from consolidation with effect from the financial year 2023, and thereby derecognised from the consolidated financial statements. Deconsolidation of the bankrupt companies will affect the consolidated financial statements significantly, resulting in an estimated positive impact on net result and equity of DKK 50-60m.

As a consequence of the bankruptcies, Lauritz.com A/S has breached its loan obligations. In order to repay the debt, Vignelaure S.A.S has been put up for sale. Reference is made to note 1 and 29 for further information.

27. Approval of annual report for publication

As described in note 0 this Annual Report is a restatement of the Annual Report for the financial year 01.01.2022 – 31.12.2022 that was approved by the management as of 28 June 2023, and which is no longer valid.

At the Board of Directors' meeting on 18 January 2024, the Board of Directors has approved the present annual report for publication.

The annual report will be presented to the shareholders of Blixtz Holding A/S for their approval at the annual general meeting.

28. Accounting policies

The annual report of Blixtz Holding A/S for the financial year 2022 has been presented in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for annual reports of reporting middle class C under the Danish Financial Statements Act.

The annual report is presented in Danish kroner (DKK), which is the presentation currency of the Group's activities and the functional currency of Blixtz Holding A/S.

The accounting policies applied are consistent with those applied for 2021. However, the basis for significant accounting estimates is changed as described in note 29.

Changes in accounting policies

No new relevant accounting standards have been identified for Blixtz Holding A/S for the years commencing from 1 January 2023.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the group's financial statements are not expected to impact the financial statements of Blixtz Holding A/S. The group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

28. Accounting policies (continued)

Correction of errors in prior periods

Other comprehensive income from revaluation of assets, value of land and buildings, deferred tax and equity at 31.12.2021 has been restated due to a correction of a material error. Total comprehensive income for the year 2021 was changed from DKK 29,937k to DKK -902k, value of land and buildings from DKK 251,888k to DKK 211,405k, deferred tax liability from DKK 60,777k to DKK 51,141k, and total equity from DKK 114,505k to DKK 83,666k. The corrections have no impact to prior periods.

Consolidated financial statements

The consolidated financial statements include the parent, Blixtz Holding A/S, and the subsidiaries that are controlled by the parent company. The parent company is deemed to have control when it has power over the relevant activities of the entity in question and when it has exposure, or rights, to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of variable returns.

Entities in which the group exercises a significant but non-controlling influence are considered associated companies. A significant influence is usually achieved by directly or indirectly owning or controlling 20-50 percent of the voting rights. Agreements and other circumstances are considered when assessing the degree of influence.

The consolidated financial statements are prepared on the basis of the financial statements of Blixtz Holding A/S and its subsidiaries. The consolidated financial statements are prepared by combining financial statement items of a uniform nature. The financial statements used for consolidation have been prepared applying the group's accounting policies.

On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. Subsidiaries' financial statement items are recognized in full in the consolidated financial statements.

Business combinations

Newly acquired or newly established enterprises are recognized in the consolidated financial statements from the time of acquiring or establishing such enterprises. Time of acquisition is the date on which control over the enterprise is actually obtained. Divested or wound-up enterprises are recognized in the consolidated statement of comprehensive income up to the time of their divestment or wind-up.

The purchase method is applied on acquisition of new entities over which Blixtz Holding A/S obtains control.

The identifiable assets, liabilities and contingent liabilities of the entities acquired are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they can be separated or arise out of a contractual right, and their fair value can be calculated reliably. Deferred tax is recognized for any reassessments made.

Cost of an enterprise consists of fair value of the consideration agreed. If part of the consideration is contingent upon future events, such part is recognised in cost in so far as the events are likely to occur, and the consideration can be calculated reliably.

Positive differences (goodwill) between the cost of the entity acquired and the fair value of the identifiable assets acquired, net of the amount of liabilities and contingent liabilities, are recognized as goodwill in intangible assets. Goodwill is not amortized but tested at least once a year for impairment. On acquisition, goodwill is allocated to cash-generating units, which then form the basis of impairment testing.

28. Accounting policies (continued)

If the asset's carrying amount is higher than its recoverable amount, it is written down to such lower recoverable amount. Goodwill and fair value adjustments made as part of the acquisition of a foreign entity using a functional currency other than the presentation currency used by Blixt Holding A/S are accounted for as assets and liabilities belonging to the foreign entity and translated into Danish kroner (the functional currency) applied by the foreign entity at the transaction date exchange rate. Negative balances (negative goodwill) are recognized in other operating income in the statement of comprehensive income at the date of acquisition.

If uncertainty exists at the date of acquisition as to the measurement of identifiable assets, liabilities or contingent liabilities acquired, initial recognition will be based on preliminary fair values. Should the fair values of identifiable assets, liabilities, or contingent liabilities at the date of acquisition then turn out to differ from those previously estimated, goodwill is adjusted up until 12 months after the date of acquisition, and adjustments are subsequently taken to the statement of comprehensive income.

Gains or losses from divestment or winding-up of subsidiaries are calculated as the difference between selling price or settlement price and the carrying amount of net assets, including goodwill, at the time of sale plus divestment or winding-up expenses.

Foreign currency translation

Foreign currency transactions are translated using the transaction date exchange rate. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date are recognized in the statement of comprehensive income as financial income or financial expenses. If foreign exchange positions are considered hedging of future cash flows, the value adjustments are recognized directly in other comprehensive income.

Receivables, payables, and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the balance sheet date and the rate in effect at the time when the payable or the receivable arose are recognized in the statement of comprehensive income as financial income or financial expenses.

Non-current assets purchased in foreign currencies are translated applying the transaction date exchange rate.

On recognition in the consolidated financial statements of entities using functional currencies other than Danish kroner, the income statement items are translated using the average exchange rate for the year, whereas the balance sheet items are translated at the balance sheet date exchange rate. Exchange differences arising out of the translation of such entities' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from the transaction date exchange rates to the balance sheet date exchange rates are recognized in other comprehensive income.

Statement of comprehensive income

Revenue

The auction business of Lauritz.com generates revenue from knockdowns on the auction platforms of the group, consisting of commissions and fees from auctions, seller advertising, marketing contribution received from partner owned auction houses etc. Revenue from auctions etc. is recognized in the statement of comprehensive income once the sale has taken place and the income can be determined reliably and receipt thereof is expected.

28. Accounting policies (continued)

Furthermore, revenue is generated through fees from sales of partnership agreements. Revenue from sale of partnership agreements is recognized once a sale is completed, and the income can be determined reliably, and is presented separately in the notes. Revenue is recognized net of VAT and duties and less sales discounts.

Direct costs

Direct costs are composed of the share of commissions and fees paid to partner owned auction houses and packing and distribution costs as well as other costs related to revenue.

Other operating income

Other operating income comprises income of a secondary nature relative to the Group's activities, including rental income and sale of wine.

Other external expenses

Other external expenses comprise expenses for sale, marketing, administration, premises, bad debts, operating lease expenses, etc.

Staff costs

Staff costs include wages, salaries, pension contributions, fees to the Board of Directors and the Executive Board as well as other social security costs.

Financial income and expenses

These items comprise interest income and interest expenses, realized and unrealized capital gains and losses from liabilities and foreign currency transactions as well as amortization of financial assets and liabilities. Financial income and expenses are recognized at the amounts relating to the financial year.

Profit/loss from investments in subsidiaries (Parent)

Dividends from equity investments are recognized when unconditional entitlement to such dividends arise. This is typically the date on which the annual general meeting approves distribution by the relevant entity.

Tax on profit/loss for the year

The Group participates in a joint taxation arrangement with both Danish and foreign group enterprises.

Current Danish income tax is allocated among the jointly taxed enterprises proportionally to their taxable income (full allocation with a refund concerning tax losses). The jointly taxed enterprises are subject to the Danish Tax Prepayment Scheme.

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the statement of comprehensive income by the portion attributable to profit or loss for the year or taken to other comprehensive income by the portion attributable to entries directly in other comprehensive income. Tax recognized in the statement of comprehensive income is classified as tax on profit or loss for the year.

28. Accounting policies (continued)**Balance sheet****Intangible assets**

On initial recognition, goodwill is recognized at cost in the balance sheet as described under “Business combinations”. Subsequently, goodwill is measured at cost less any accumulated impairment losses. The carrying amount of goodwill is allocated to the Group’s cash-generating unit at the time of acquisition. Determination of cash-generating units complies with the management structure and management control of the Group. As a result of integrating the acquired entities in the existing Group, Management estimates that the lowest level of cash-generating units, to which the carrying amount of goodwill may be allocated, is at group level as it is generally impossible to trace and measure the value of goodwill in each of the entities acquired after a short period of time.

Rights acquired are measured at cost less accumulated amortization. Rights acquired are amortized on a straight-line basis over their estimated useful lives, which are estimated to be up to 20 years or less depending on the terms of contract.

Software in process of development comprises both externally acquired software and proprietary software qualifying for capitalization. Software in process of development is not amortized, however, its value is tested on a regular basis, which may result in a write-down.

Completed software is amortized on a straight-line basis using its estimated useful life. The period of amortization is usually 3 to 5 years.

Intangible assets with indefinite useful lives are not amortized but are tested at least once a year for impairment. If the assets' carrying amounts exceed their recoverable amounts, they are written down to such lower amount. In the balance sheet, intangible assets with indefinite useful lives are presented in “Rights acquired”.

Right-of-use assets (leased assets)

The group assesses whether a contract is or contains a lease, at inception of the contract. The group recognizes a right-of-use asset and a corresponding lease liability with respect to the lease arrangements in which it is the lessee, except for short term leases (under 12 month) and leases of low value assets. For short term and low value asset leases the group recognizes the lease payments in operating expenses on a straight-line basis over the lease term.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are depreciated over the shorter of the lease term or the useful life of the underlying asset. The right-of-use assets are presented as a separate line in the consolidated balance sheet.

Property, plant, and equipment

Land and buildings held for use in the production or supply of (excluding investment properties), or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

28. Accounting policies (continued)

Any revaluation increase arising on the revaluation of such land and buildings is credited to the property's revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized as an expense, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed

A decrease in carrying amount arising on the revaluation of such land and buildings is charged as an expense to the extent that it exceeds the balance, if any, held in the property's revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is recognized in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the property's revaluation reserve is transferred directly to retained earnings.

Land is not depreciated. Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value. The residual value is the estimated amount that would be earned if selling the asset today net of selling costs, if the asset is of an age and a condition that is expected after the end of useful life.

Depreciation is provided on a straight-line basis from the following assessment of the assets' expected useful lives:

Buildings	50 years
Other fixtures and fittings, tools, and equipment	3 to 10 years

The gain or loss arising from the disposal of an item of property, plant and equipment is determined as the difference between the selling price net of selling costs and the carrying amount at the time of sale. Gains or losses are recognised in "Depreciation and amortisation" in the statement of comprehensive income.

Write-down for impairment of non-current assets

The carrying amounts of both intangible assets and items of property, plant and equipment are reviewed annually for any indicators of impairment in addition to that reflected through amortization and depreciation. However, goodwill and intangible assets with indefinite useful lives are tested annually for impairment, the first time being at the end of the acquisition year.

If any such indication exists, impairment tests are made of each asset and group of assets, respectively. Write-down is made to the lower of recoverable amount and carrying amount.

The recoverable amount is the higher of net selling price and value in use. Value in use is the present value of the estimated net income from using the asset or the group of assets.

28. Accounting policies (continued)

Non-current financial assets

Deposits

Deposits are measured at cost.

Investments in group enterprises

Parent

Investments in subsidiaries are recognized and measured at cost in the parent's balance sheet. An impairment test is made if there is any indication of impairment. If cost exceeds recoverable amount, cost is written down to recoverable amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realizable value.

Trade receivables, contract receivables and other receivables

Trade receivables, contract receivables and other receivables are initially recognized at Fair value, plus any direct transaction costs, and subsequently measured at amortized cost using the effective interest method. For other receivables and contract receivables, write down is made for anticipated losses in accordance with IFRS 9 based on specific individual or group assessments. For trade receivables, the loss allowance is measured in accordance with IFRS 9 applying a provision matrix based on the groups historical loss experience adjusted for expected changes in specific or general circumstances.

Assets and liabilities held for sale

Assets classified as held for sale comprise assets and liabilities, the value of which are highly probable to be recovered through a sale within 12 months rather than through continued use. Assets and liabilities classified as held for sale are measured at the carrying amount at the time of classification as 'held for sale' or at market value, less selling costs, whichever is lower. The carrying amount is measured in accordance with the Group's accounting policies. No depreciation or amortization is recognized on intangible assets and property, plant, and equipment from the time of classification as 'held for sale'

Equity and liabilities

Equity

Proposed dividend is recognized as a liability at the time of adoption at the annual general meeting (the time of declaration).

Reserves for treasury shares are recognized at purchase value.

The properties revaluation reserve arises on the revaluation of land and buildings. When revalued land or buildings are sold, the portion of the properties revaluation reserve that relates to that asset is transferred directly to retained earnings. Items of other comprehensive income included in the property's revaluation reserve will not be reclassified subsequently to profit or loss.

Reserves for exchange rate adjustments comprise exchange differences arising from the translation of financial statements of entities with a functional currency other than Danish kroner.

28. Accounting policies (continued)

Current tax and deferred tax

The current tax payable or receivable is recognized in the balance sheet, stated as tax computed on this year's taxable income adjusted for prepaid tax.

Deferred tax is the tax recognized on temporary differences between the carrying amount and tax-based value of assets and liabilities. Deferred tax liabilities as well as deferred tax assets are recognized.

Deferred tax is measured based on the current tax rate. Changes in deferred tax resulting from changed tax rates are recognized in the statement of comprehensive income.

Liabilities

Financial liabilities are recognized at the time of borrowing at nominal value less transaction costs incurred, equivalent to the proceeds received. Subsequently, financial liabilities are recognized at amortized cost equal to the capitalized value using the effective interest method to the effect that the difference between the proceeds and the nominal amount is recognized in the statement of comprehensive income over the terms of the loan.

The lease liability is initially measured at the present value of the lease payments, discounted by using the rate implicit in the lease. If this rate cannot be readily determined the group uses its incremental borrowing rate. The lease liability is presented as a separate line in the consolidated balance sheet.

Other liabilities including debt to suppliers, subsidiaries as well as other payables are measured at amortized cost which usually corresponds to nominal value.

Cash flow statement

The cash flow statement is presented using the indirect method and shows cash flows for the year by operating, investing, and financing activities, the year's changes in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as profit or loss for the year adjusted for non-cash operating items, working capital changes as well as interest income, interest expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of entities and activities as well as the acquisition and sale of non-current assets.

Cash flows from financing activities comprise changes in the size or composition of share capital and related expenses. Moreover, cash flows from financing activities comprise raising of loans, repayments of interest-bearing debt including debt related to right-of-use assets and payment of dividend.

Discontinued operations comprise all revenue and expenses and gain and losses for operations either being held for sale, or which have already been disposed of. Discontinued operations are reported separately from the continued operations in the financial statements. Comparative figures are restated to segregate the continuing and discontinuing assets, liabilities, income, expenses, and cash flows.

Cash and cash equivalents comprise cash less any overdraft facilities forming an integral part of cash management.

Financial assets and liabilities

The Group and the Parent classify their financial assets as loans and receivables and their financial liabilities as other financial liabilities.

28. Accounting policies (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are stated in current assets. The maturity profile of the Loans and receivables is shown in the notes. In the balance sheet, loans and receivables are classified as "Deposits", "Trade receivables", "Contract receivables", and "Other receivables".

Other financial liabilities

Financial liabilities are non-derivative financial liabilities that are measured at amortized cost. They are recognized in the balance sheet under non-current liabilities when the time to maturity from the balance sheet date exceeds 12 months. In the event of maturity within 12 months, they are recognized under current liabilities. Other financial liabilities are classified in the balance sheet as "Trade payables" and "Other payables".

29. Critical accounting judgements and key sources of estimation uncertainty

When applying the Group's accounting policies, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily evident from other sources. These estimates and assumptions are based on historic experience and other relevant factors. Actual results may vary from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Restatement of Annual Report

As described in note 0 this annual report is a restatement, due to lack of information in the annual report approved 28 June 2023. Management has applied judgement in relation to the bankruptcy of six subsidiaries of the Group on 11 July 2023. The bankruptcy of the subsidiaries entails that the subsidiaries are not considered to be going concern in the consolidated financial statements. Hence, the bankruptcy is an adjusting event in the 2022 financial statements, resulting in significant impairment losses of goodwill and other non-current assets being recognized in the income statement. The negative impact on net result and equity in 2022, must be viewed in the context that the deconsolidation of subsidiaries in 2023 when control ceases, will have significant positive impact on net result and equity. Refer to note 26. Events after the balance sheet date.

Going Concern

Reference is made to note 1.

Impairment of goodwill and other non-current assets

During annual testing of goodwill and other non-current assets for impairment, or when an indication of impairment exists, an assessment is made as to how those activities of the Group (cash-generating unit) that relate to goodwill would be able to generate sufficient positive future net cash flows to support the value of goodwill, non-current intangible assets and property, plant and equipment relating to those activities.

Due to the bankruptcy of six subsidiaries of the Group including Lauritz.com Group A/S and Lauritz København ApS, the recoverable amount for goodwill and some other non-current assets are estimated to DKK 0m. This result in impairment losses relating to goodwill of DKK 56,5m, and impairment loss relating to software of DKK 1,1m as well as impairment loss relating to right-of-use assets of DKK 7.1m, and impairment loss relating to other fixtures of DKK 4.7m (no impairment losses in 2021). Refer to note 11 and 12.

29. Critical accounting judgements and key sources of estimation uncertainty (continued)

Fair value of property

Estimation of fair value for the property owned by Vignelaure S.A.S is based on a third-party valuation performed by a real estate agent specialized in vineyards. Estimation of fair value is subject to uncertainty due to the nature of the asset and the market conditions. For further information regarding historical cost price and revaluation see note 12 and statement of changes in equity.

Statement of comprehensive income 1 January – 31 December

<u>Notes</u>	<u>Parent Company 2022 DKK'000</u>	<u>Parent Company 2021 DKK'000</u>
Revenue	31	55
Gross Profit	31	55
2 Other external expenses	-105	-92
Operating profit/loss before depreciation, amortisation and impairment (EBITDA)	-74	-37
3 Depreciation and amortisation	0	-22
Operating profit/loss (EBIT)	-74	-59
9 Result from interests in subsidiaries	-7,252	-6,762
4 Financial income	1,483	5,794
5 Financial expenses	-1,220	-2,359
Profit/Loss before tax (EBT)	-7,063	-3,386
6 Tax on profit/loss for the year	487	157
Profit/Loss for the year	-6,576	-3,229
Other comprehensive income	-	-
Total comprehensive income	-6.576	-3,229

Balance sheet

	Parent Company 31.12.2022 DKK'000	Parent Company 31.12.2021 DKK'000
Assets		
Notes		
Non-current assets		
7 Rights acquired	-	-
Total intangible assets	-	-
8 Other fixtures and fittings, tools, and equipment	1,729	1,740
Total property, plant, and equipment	1,729	1,740
9 Equity interest in subsidiaries	18,318	22,903
12 Deferred tax	45	45
Receivables group enterprises	73,202	78,735
Total financial assets	91,565	101,683
Total non-current assets	93,294	103,423
Current assets		
Corporate taxes receivables	-	-
Receivables group enterprises	5,747	-
Other current receivables	219	6
Total receivables	5,966	6
Cash and cash equivalents	14	503
Total current assets	5,980	509
Total assets	99,274	103,932

Balance sheet

Equity and liabilities

<u>Notes</u>	Parent Company 31.12.2022 DKK'000	Parent Company 31.12.2021 DKK'000
Equity		
10 Share capital	2,000	2,000
Retained earnings	<u>65,034</u>	<u>71,610</u>
Total equity	<u>67,034</u>	<u>73,610</u>
Liabilities		
Bank debt	1,360	2,666
11 Other non-current debt	16,150	15,000
12 Deferred tax	<u>-</u>	<u>-</u>
Total non-current liabilities	<u>17,510</u>	<u>17,666</u>
Other current debt	600	-
Bank debt	194	-
Trade payables	1,092	249
13 Other payables	3,034	3,172
Payables group enterprises	8,487	8,357
Payables related parties and shareholder	1,323	878
Corporate taxes payable	<u>-</u>	<u>-</u>
Total current liabilities	<u>14,730</u>	<u>12,656</u>
Total liabilities	<u>32,240</u>	<u>30,322</u>
Total equity and liabilities	<u>99,274</u>	<u>103,932</u>

Statement of changes in equity

Parent Company	Share capital DKK'000	Retained earnings DKK'000	Total Equity DKK'000
Equity at 1 January 2022	2,000	71,610	73,610
Profit/Loss for the year	-	-6,576	-6,576
	2,000	65,034	67,034
Dividend to shareholders	-	-	-
Equity at 31 December 2022	2,000	65,034	67,034
Equity at 1 January 2021	2,000	74,839	76,839
Profit/Loss for the year	-	-3,229	-3,229
	2,000	71,610	73,610
Dividend to shareholders	-	-	-
Equity at 31 December 2021	2,000	71,610	73,610

Statement of cash flows

	Parent Company 2022 DKK'000	Parent Company 2021 DKK'000
Operating profit/loss (EBIT)	-74	-59
Depreciation and amortisation	0	22
Increase/decrease in receivables	-212	4,075
Increase/decrease in trade payables and other payables	1,214	-2,989
Other adjustments	-	155
Cash flows from ordinary operating activities	928	1,204
Interest received	1,253	1,402
Interest paid	-571	-1,520
Income tax paid	-	-23
Cash flows from operating activities	1,610	1,063
Sale of fixed assets	11	-
Acquisition of equity interests	-2,667	-
Cash flows from investing activities	-2,656	-
Repayment of loans and borrowings	-1,443	-580
Proceeds from loans and borrowings	2,000	-
Dividend paid	-	-
Cash flows from financing activities	557	-580
Net cash flow for the year	-489	483
Net capital resources, beginning of year	503	20
Net capital resources, end of year	14	503
Net capital resources, end of year, are composed as follows:		
Cash and cash equivalents	14	503
Net capital resources, end of year	14	503

Notes

	Parent Company 2022 DKK'000	Parent Company 2021 DKK'000
0. Restatement of Annual Report		
We refer to note 0 in the consolidated financial statements.		
1. Going concern		
We refer to note 1 of the consolidated financial statement.		
2. Fees to auditors appointed at the annual general meeting		
Audit services	180	75
Other services	<u>13</u>	<u>55</u>
	<u>193</u>	<u>130</u>
3. Depreciation and amortisation		
Depreciation, other fixtures, tools, and equipment	<u>-</u>	<u>22</u>
	<u>-</u>	<u>22</u>
4. Financial income		
Interest income from group enterprises	<u>898</u>	<u>1,033</u>
Interest income from financial assets	898	1,033
Guarantee commission from group enterprises	355	366
Impairment reversal, receivables from group enterprises	230	4,392
Exchange rate gains	<u>-</u>	<u>3</u>
	<u>1,483</u>	<u>5,794</u>
5. Financial expenses		
Interest expenses	19	71
Financial expenses, bond debt	924	1,291
Interest expenses to group enterprises	84	81
Bank charges etc.	<u>30</u>	<u>42</u>
Interest expenses from financial liabilities	1,057	1,485
Impairment losses, receivables from group enterprises	-	142
Exchange rate losses	<u>163</u>	<u>732</u>
	<u>1,220</u>	<u>2,359</u>

Notes

	Parent Company 2022 DKK'000	Parent Company 2021 DKK'000
6. Tax on profit/loss for the year		
Current tax for the year	-	-
Adjustment to taxes, prior years	-	-157
Adjustment to deferred tax, prior years	-487	-
	-487	-157
Current tax for the financial year is computed based on a tax rate of 22.0 % (2021: 22.0 %)		
Tax on profit/loss for the year is made up as follows:		
Computed 22.0 % tax on profit/loss for the year before tax	52	-745
Adjustment to taxes, prior years	-	-157
Adjustment to deferred taxes, prior years	-487	-
Tax effect of:		
Adjustment of unrecognized tax asset	7	745
Non-deductible expenses	-59	-
	-487	-157
Effective tax rate	negative	negative
7. Rights acquired assets		
Cost at 1 January	145	145
Cost at 31 December	145	145
Depreciation at 1 January	145	145
Depreciation at 31 December	145	145
Carrying amount at 31 December	-	-
8. Other fixtures and fittings, tools, and equipment		
Cost at 1 January	1,918	1,929
Disposal	-	-11
Cost at 31 December	1,918	1,918
Depreciation at 1 January	189	178
Depreciation at 31 December	189	178
Carrying amount at 31 December	1,729	1,740

Notes

	Parent Company 2022 DKK'000	Parent Company 2021 DKK'000
9. Equity interest in subsidiaries		
Cost at 1 January	143,348	143,348
Addition	<u>2,667</u>	<u>-</u>
Cost at 31 December	<u>146,015</u>	<u>143,348</u>
Value adjustment at 1 January	-120,445	-113,683
Impairment for the year	-7,530	-
Value adjustment for the year, net	<u>278</u>	<u>-6,762</u>
Value adjustment at 31 December	<u>-127,697</u>	<u>-120,445</u>
Carrying amount at 31 December	<u>18,318</u>	<u>22,903</u>

Group enterprises are specified in note 24 to the consolidated financial statements.

Impairment losses for the year relate to Lauritz.com Group A/S and Lauritz København ApS. These subsidiaries were declared bankrupt on 11 July 2023, hence the recoverable amount is considered to be DKK 0m resulting in an impairment loss of DKK 7.5m.

10. Share capital

The share capital consists of 2,000 shares with a nominal value of DKK 1,000 each. The shares have been paid in full. The shares have not been divided into classes and no special rights have been attached to the shares. The share capital of the parent company has not changed during the last five years.

11. Bond debt

The company issued unlisted corporate bonds on 1 July 2016 with a principal amount of DKK 15m. The bonds carry interest at 5 percent and are redeemed at par after five years from the date of issue. As from June 2021 the bond terms were amended. The final redemption date is 30 June 2024. Annual interest payment is 2.5 percent, and the accrued remaining interest payment is due on redemption date in June 2024.

Notes

	Parent Company 2022 DKK'000	Parent Company 2021 DKK'000
12. Deferred tax		
Deferred tax at 1 January	45	45
Deferred tax on profit/loss for the year	-	-
Deferred tax at 31 December	45	45
Specification of deferred tax:		
Other fixtures and fittings	36	36
Rights acquired	9	9
	45	45
Deferred tax is recognized as follows in the balance sheet:		
Deferred tax (asset)	45	45
Deferred tax (liability)	-	-
Deferred tax at 31 December	45	45

13. Other payables

Other payables include accrued interest, vat, and other costs payable.

14. Financial risks

The parent company's currency risks are primarily hedged by matching payments received and made in the same currency. The difference between ingoing and outgoing payments denominated in the same currency is a measure of currency risk. The currency exposure of the company at 31 December 2022 is related only to EUR denominated Bank debt of 1,554k (2,666k).

The company is exposed to credit risks on receivables from group entities as the value depends on the sale of Vignelaure S.A.S. in 2024 and its selling price. As described in note 1 to the consolidated financial statements, the management expect to sell Vignelaure S.A.S. in 2024 to at least a price corresponding to the fair value recognized as of 31 December 2022. Hence, no impairment loss is recognized.

For further information on financial risks, we refer to note 20 in the consolidated financial statements.

15. Contingencies etc.

Contingent liabilities

Blixt Holding A/S participates in a national joint taxation arrangement serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the parent company is therefore liable for income taxes etc. for the jointly taxed companies and for obligations, if any, relating to the withholding of tax on interest, royalties, and dividends for the jointly taxed companies.

Pledges

The parent company has issued a letter of support to the subsidiary Ejendomsselskabet Blixtz ApS. This is not expected to have any impact on comprehensive income or equity. The parent company has pledged equity interests in Lauritz.com Group A/S and Ejendomsselskabet Blixtz ApS as security for the bond debt with a carrying amount of DKK 23.2m (2021: 28.8). The Swiss bank Van Lanschot has a pledge in the Lauritz.com Group A/S-shares for bank debt with a carrying amount of DKK 1.4m (2021: 2.6m).

16. Related parties

A loan has been granted to Ejendomsselskabet Blixtz ApS amounting to DKK 73.2m (76,1m). The loan carries a market-based interest amounting to an interest payment of DKK 0,7m in 2022 (2021: DKK 0,8m).

As security for the loan Ejendomsselskabet Blixtz ApS has pledged all shares of Vignelaure S.A.S.

For pledges refer to note 15.

17. Events after the balance sheet date

Six subsidiaries have been declared bankrupt after the balance sheet date. The accounting effect in 2023 of these bankruptcies in the parent company financial statements are expected to be limited.

No other events have occurred after the balance sheet date that could have a material influence on the company's financial position.

18. Approval of annual report for publication

We refer to note 27 in the consolidated financial statements.