Joe & The Juice Holding A/S

Østergade 26, DK-1100 København K

CVR no 35 52 79 90

Annual report for 1 January - 31 December 2021

The Annual Report was presented and
adopted at the Annual General Meeting
of the Company on 11.07.2022

Sebastian Christmas Poulsen
Chairman of the General Meeting

Contents

Management's Statement

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of Joe & The Juice Holding A/S for the financial year 1 January – 31 December 2021.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act. Management's Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 1 January - 31 December 2021.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Copenhagen, 11 July 2022

Executive Board

Thomas Kusk Nørøxe
CEO

Emil Staal Bergander
CFO

Board of Directors

Kaspar Basse
Chairman

Tue Mantoni
Deputy Chairman

Björn Lundgren

Melis Zeynep Kahya

Per Forsberg

Laurie Ann Goldman

Andrew William Crawford

Morten Nødgaard Albæk

Independent auditor's report

To the shareholders of Joe & The Juice Holding A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Joe & The Juice Holding A/S for the financial year 1 January – 31 December 2021,which include Consolidated income statement (loss), statement of comprehensive loss, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by EU and additional requirements of the Danish Financial Statements Act and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 3 and note 19 of the consolidated financial statements, which describes the financial situation and capital management of the Group. Our opinion is not modified in respect of this matter.

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

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

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations,

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

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit proceduresthat are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditor's report

Statement on the management commentary
Management is responsible for the management commentary-

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 11 July 2022

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bjørn Winkler Jakobsen
State Authorised Public Accountant
Identification No (MNE) mne32127

Niels Skannerup Vendelbo
State Authorised Public Accountant
Identification No (MNE) mne34532

Company Information

TheCompany	Joe & The Juice Holding A/S Østergade 26 DK-1100 København K CVR No: 35 52 79 90 Financial period: 1 January- 31 December Municipality of reg. office: København K
Board of Directors	Kaspar Basse, Chairman Tue Mantoni, Deputy Chairman Bjorn Lundgren Melis Zeynep Kahya Per Forsberg Laurie Ann Goldman Andrew William Crawford Morten Nødgaard Albæk
Executive Board	Thomas Kusk Nørøxe Emil Staal Bergander
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 DK-2300 København S

Key figures

Seen over a five-year period, the development of the Group is described by the following financial highlights:

In thousands DKK	**2021**	**2020**	**2019***	**2018***	**2017***
Income statement					
Revenue	1.109.826	834.504	1.179.082	1.000.986	790.678
Profit/loss before depreciations (EBITDA)	271.941	249.452	5.332	119.673	115.552
Profit/loss before financial income and expenses	-49.882	-212.619	-281.511	-43.792	5.396
Net financials	-155.698	-251.597	-82.831	-63.033	-40.909
Loss for the year	-232.511	-474.170	-361.768	-113.062	-27.341
Statement of financial position					
Balance sheet total	2.257.486	2.180.979	904.193	1.239.861	1.031.023
Equity	-774.224	-794.763	-551.153	-154.617	-74.678
Equity including subordinated loan capital	-652.972	-679.566	-447.240	-54.648	14.157
Cash flows					
Cash flows from operating activities	116.235	40.383	-15.582	88.938	98.137
Cash flows from investing activities	-77.012	-64.630	-222.976	-431.374	-353.602
- Hereof cash flows from investment in PP&E	-63.855	-54.349	-204.940	-394.619	-270.988
Cash flows from financing activities	148.175	42.046	263.267	258.094	309.079
Change in cash and cash equivalents for the year	187.398	17.799	24.709	-84.342	53.614
Number of employees	2.120	1.946	2.030	1.626	1.346
Financial ratios (%)					
EBITDA margin	24,5%	29,9%	0,5%	12,0%	14,6%

The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts.

*) The Group has implemented IFRS on 1 January 2020. The figures for the years 2017, 2018 and 2019 have not been adjusted to reflect the implementation of IFRS or correction of errors made in the 2020 financial statements as it is impracticable to determine the effect on a year by year basis prior to 1 January 2020.

Management's Review

Key activities

JOE & THE JUICE sells juice, coffee, sandwiches and much more. The objective of JOE & THE JUICE is to provide services to companies in the JOE & THE JUICE group (the Group) and hold ownership shares in companies that operate JOE & THE JUICE stores and related activities. In this review, when referring to the group, it includes all subsidiaries. This review covers both the parent company and the group.

Development in the year

The Group's Revenue increased by 275 mDKK or 32.9% from 835 mDKK in 2020 to 1,110 mDKK in 2021. The increase is a result of an increase in in-store sales (incl. ordering through the Joe App) and a doubling of the sales generated through 3rd-party delivery partners. This is considered satisfactory given a start to the year with COVID-19 restrictions impacting performance and financials significantly. This is something which affected not only JOE & THE JUICE but the entire industry.

From the beginning of January 2021 until mid-April 2021, several JOE & THE JUICE stores were either closed or had to operate under restrictions in locations with reduced customer traffic due to socializing restrictions, work from home guidelines and reduced travelling. The period from mid-April to end-October 2021, JOE & THE JUICE experienced consistent growth across all countries and across all sales channels. October 2021 marked a monthly revenue record for JOE & THE JUICE. However, during November and December 2021, COVID-19 rebounded which led to a slowdown in the positive momentum.

For 2021, COVID-19 has had an overall negative impact on the Group's performance. The negative impact relates primarily to rent and utility costs incurred during temporary closures and payroll for idle employees in stores, where the staffing level could not be reduced to reflect the lower and more volatile activity level.

During 2021, JOE & THE JUICE continued to invest heavily in the shift plans and the training of the employees to continuously protect and enhance the culture of JOE & THE JUICE and ultimately to ensure positive purchase experiences for all customers when they visit JOE & THE JUICE. The investments were made with a strong belief in a higher activity level after COVID-19.

During the year the Group optimised the store portfolio. Eight leases were terminated during 2021, while 18 new stores were opened (including four stores opened and operated by franchise partners).

To mitigate the impact and losses from COVID-19 and to strengthen the Company's position even further in the future, several mid- and long-term strategic initiatives implemented during 2020 were further enhanced and strengthened during 2021. In particular, the digital initiatives launched in 2020 continued to contribute positively and were developed further in 2021. By the end of 2021, the Joe App has reached almost 1 million of registered users and has been rolled out in all markets together with 3rd party delivery platforms, providing JOE & THE JUICE's customer the opportunity to have orders delivered through a 3rd party delivery provider. The digital sales comprising sales through the Joe App and through 3rd party delivery providers' apps, amount to approximately 25% of the total sales in 2021.

In the Financial Statements for 2020, Management's guidance for 2021 was a 25% increase in revenue and an EBITDA in line with 2020 levels. This compares to the realized 30+% increase in revenue and the 9% increase in EBITDA.

Considering the adverse impact from COVID-19, Management is satisfied with the development and financial results of the Group in 2021 and Management believes that the revenue and EBITDA development during 2021 illustrates the robustness and growth potential in the JOE & THE JUICE brand and business model.

Management's Review

Capital resources

Group

In April 2021, a capital increase in total of 300 mDKK in a rights issue targeted existing and new shareholders to ensure sufficient capital in case of a prolonged period impacted by COVID-19 and to secure the capital resources required for future growth including to continue the expansion of the global JOE & THE JUICE store network.

End of 2021, the equity for the Group was mDKK -774.2 compared to mDKK -794.8 at end of 2020.

Parent Company

End of 2021, the equity in the Parent Company was mDKK 13.8, of which the share capital was mDKK 64.6, compared to mDKK 10.3, start of year of which the share capital was mDKK 50.1, at end of 2020.
The Parent Company has lost more than half of its subscribed share capital and is therefore subject to the capital loss requirements in §119 of the Danish Companies Act.

Going Concern

Over recent years, the Group has suffered significant losses, and has been supported by the shareholders through capital increases. As of 31 December 2021, liabilities exceed the carrying amount of the Group's assets by a substantial amount. The Group is however currently generating positive cash flows from its operations and based on liquidity forecasts, expects to meet the financial covenants set out in the syndicated loan agreement. In July 2023, the term facility and the revolving credit facility fall due. Further, the capex facility except for 75 MDKK falls due in June 2023. Finally, the subordinated loan granted by Vækstfonden falls due in July 2023. The Group does not expect to generate sufficient cash from operations to meet this repayment obligation. Management has initiated discussion with the bank syndicate regarding deferral of repayments. Based on these discussions and an assessment of the enterprise value of the Group, Management expects a positive outcome of the discussions or in case of failure that alternative funding sources are available. On this basis, Management has prepared the financial statement based on the assumption that the Group will continue its operations.

Cash flow

At the beginning of the year, the Group had Cash and cash equivalents of mDKK 68.2 and mDKK 258.2 at the end of the year. The net cash flow for the period of mDKK 190.1 comes from a positive net cash inflow from operating activities of mDKK 119.8 and a positive net cash inflow from financing activities of mDKK 149.6, whereas there was a negative cash inflow from investing activities of mDKK 82.1.

Risks

Market conditions

For JOE & THE JUICE, as it is the case for most companies, the underlying market conditions in 2022 remain highly uncertain. These uncertain market conditions include COVID-19, the situation in Ukraine and a growing inflationary pressure. Management will continue to monitor the situation closely and be ready to take the necessary actions.

Currency exposure

The Group operates in several markets and is therefore exposed to currency risk, mainly in USD, NOK, SEK and GBP.

Management's Review

Strategy
The Group's strategy is to continue the expansion of the successful and proven JOE & THE JUICE experience by focusing exclusively on healthy food and beverage offerings in attractive retail locations in combination with a digital platform that supports customer convenience and operational effectiveness. In addition, the Group will grow its franchise operations outside the existing markets in Europe and US.

The Group has received a significant amount of interest from potential franchise partners and has already signed three master franchise contracts covering specific countries in the Middle East during 2021 and first half of 2022. As a result, new franchise operated stores are expected to be opened already during the second half of 2022.

In 2022, the Group will continue the expansion of new stores and continue to make IT investmens in the JOE App and delivery platforms.

Targets and expectations for the year ahead
JOE & THE JUICE has ambitious growth plans for the future. During 2021, JOE & THE JUICE completed a rights issue of 296 mDKK from existing and new investors, which enables JOE & THE JUICE to continue the store expansion. In 2021 18 stores were opened and 20+ more stores are expected to be opened during 2022.

Despite the uncertain market conditions, Management has a positive outlook for the future and expects an increase of revenue in 2022 of more than 30% compared to 2021.

Knowledge resources
The key for JOE & THE JUICE is to continuously develop and retain its employees and to continuous invest in building the culture of JOE & THE JUICE. It is also important for the continued growth of the Group to attract and retain new, talented employees.

Report on Corporate Social Responsibility, Cf. Section 99 a of the Danish Financial Statements Act

The Company Business Model (Key activities)
JOE & THE JUICE is a retail chain of juice stores located in trendy neighborhoods or pedestrian areas with heavy traffic. JOE & THE JUICE sells fresh, made-to-order fruit and vegetable juices, smoothies, shots, sandwiches and salads, coffee, and tea prepared on the premises and cakes made by a third-party supplier. In 2021, the Group accelerated digital sales via third-party delivery platforms and via the Joe App. In total digital sales amounted to 25% of the total revenue. The group has a strong focus on people, their health, safety and wellbeing at work and during 2021 the average number of employees in the Group was 2,120 people.

At the end of 2021, the Group had 310 stores (incl. franchise stores) across 16 different countries across Europe, the US, Asia and Oceania. This represents a net increase of 10 stores compared to space of 2020. 27 of the stores are operated as franchise stores.

The increase in the number of leases during 2021 is a consequence of a rebound and a growth plan following the year of 2020 when a number of leases were terminated due to COVID-19 and a restructuring of the store portfolio.

Management's Review

Risk Management (CSR)

Due to its business activities, JOE & THE JUICE is exposed to risks, frequently associated with comparable food chains that are employee-driven and are operating across different cultures and regions. With its global presence, JOE & THE JUICE is also subject to risks related to pandemic outbreaks, including COVID-19, cyber attacks, political unrest, business and supply chain interruptions, increase in energy and commodity prices, which may have material adverse effect on the JOE & THE JUICE business, financial conditions and results of operations.

Management is regularly assessing risks and control measures and is engaged in risk and reputation management and mitigation as an integral part of the Group activities.

JOE & THE JUICE recognizes the risks associated with the CSR/ ESG matters such as Human Rights, Environment and Climate, Business Ethics, Social and Employee relations, and successfully manages and mitigates those through policies and procedures that the Group has adopted. These risks are assessed and discussed on a quarterly basis with the Risk and Reputation Committees consisting of selected members of the Group Board of Directors.

Policy implementation, risk mitigation actions, and results are presented in this report. In 2021, the Group did not exercise due diligence of its processes and policies.

COVID-19 Pandemic

The COVID-19 pandemic has impacted lives and livelihoods worldwide, with far-reaching health and economic consequences across all of JOE & THE JUICE's markets in 2020 and 2021. In these unprecedented and challenging times, JOE & THE JUICE continued to prioritize the health and wellbeing of employees and stepped up efforts to support its customers and communities.

Lockdown of societies across the world resulted in long-lasting health-related and economic consequences, while JOE & THE JUICE faced an industry-wide challenge like no other.
As in 2020, in 2021 JOE & THE JUICE continued to be financially affected by the pandemic due to a decrease in customer traffic in cities as well as in shopping malls and airports caused by the hard lockdowns and closing of borders.

However, JOE & THE JUICE's investments in digital transformation over the past years, made it possible to stay open in many locations and enabled JOE & THE JUICE's customers to contactless order and pick up their food during the lock-downs.

JOE & THE JUICE kept the stores open for take-away and operated under the highest health and safety standards, strictly following social distancing and hygiene guidelines recommended by the governments at the same time enabling contactless order, pick up and delivery of our products. After a year of operating under COVID-19 pandemic circumstances, JOE & THE JUICE has been able to keep a large number of stores open, thereby securing jobs in a difficult time, and serve JOE & THE JUICE's customers and communities with healthy food. JOE & THE JUICE's culture has proven incredibly resilient based on the committed work done by every single employee, behind every single bar and at every office.

To ensure the safety and well-being of the employees in the JOE & THE JUICE offices, JOE & THE JUICE took all necessary precautions and offered office-based employees the possibility to work from home during the pandemic.

The success of the Joe App has by far outperformed management expectations, having almost 1 million registered users on the App at the end of 2021. We also moved closer to our customers' homes and offices as we launched delivery across all our markets. With approximately 25% of turnover coming from tech channels (app and delivery) compared to 22% in 2020, the investments in digital transformation has been very successful.

The 2022 will, without a doubt, be challenging as we continue to rebound from the pandemic, but we enter the new year in a good shape and prepared. Our ambition remains high and we will continue growing our global footprint and Culture.

Management's Review

Safe & Responsible Workplace

Ensuring a safe and responsible workplace for all employees continued to be a major focus of the Group during 2021, where the ongoing pandemic, rapid digitalization and various socio-political trends added an extra layer of complexity. JOE & THE JUICE has done this by focusing on aspects of human rights, employee health and safety, wellbeing and culture.

Policy

The Group has updated and introduced a number of policies within areas of human rights, health and safety and IT safety such as a bias-free workplace policy, COVID-19 Health & Safety risk assessments and mitigation measures, IT security and IT employee conduct. coduct. Our human rights policy already addresses a number of matters such as equal opportunities, freedom of association and collective bargaining and zero tolerance related to child and forced labor.

Activities and results

In 2021, the Group was working to sustain and evolve the right culture with focus on people as it transformed its HR department into a People & Culture department. The Group introduced a number of new training and learning modules related to adopted policies and department changes. JOE & THE JUICE worked to sustain the right culture and employee motivation in the Group under the very challenging global circumstances. These efforts are measured in quarterly employee satisfaction surveys. The surveys show a high level of participation and a very high level of satisfaction with how the Group has handled the COVID-19 crisis and communicated to the employees. The Group has also put an enhanced Talent development and Mobility program in place. These programmes were only partially implemented in 2021 due to COVID-19 measures. We believe that our activities in 2021 have helped ensure that we continue to provide a safe and responsible workplace with satisfaction result of approximately 75 % and high level of motivation do deliver exceptional performance post-Covid. We have no reported human rights violations in 2021.

Plans

In 2022, the Group will continue its activities and focus on People & Culture with employee retention and wellbeing being high priorities. The Group also intends to continue its Talent development and Mobility program and encourage employee and information flow between markets. As the pandemic is over but new global challenges emerge, the Group will continue having focus on employee health and safety, particularly mental health, through enabling hotlines and support channels, that will ensure that our employees maintain a positive view on the world, keep motivation and properly deal with uncertainty. We expect that in 2022, the Group will work actively with its business partners on human rights matters.

Management's Review

Environment and Climate

Policy

The Group is environmentally aware and works proactively to reduce the environmental and climate impact of business operations. The Group recognizes the challenges of reducing energy consumption and managing food waste, single use packaging and overall waste. The Group also commenced implementation of the environmental policy, ran a number of sustainability initiatives and performed GHG emission assessment according to GHG protocol.

Activities and Results

During 2021, the Group has continued the implementation of a comprehensive waste control program that tracks waste KPIs weekly and helps the improvement of waste management as well as decision-making related to operations and purchasing of goods.

The result is a decrease in the waste produced during the year, reduction of environmental and climate impact, and increased awareness among employees about the importance of continually reducing waste, thus improving operations.

In 2021, the Group hired a third party advisor and performed a robust GHG emission assessment as an awareness raising exercise. The GHG emissions assessment was produced following GHG Protocol guidelines. This GHG assessment helped the Group establish solid science-based environmental sustainability framework which will be the base document to perform future assessments, determine environmental KPIs, benchmarks and saving targets as well as sustainability initiatives.

Plans

The Group is working on establishing a solid science-based environmental sustainability framework.
In 2022, the Group intends to further decrease the use of single use plastic in operations following global tendencies and applicable local laws. The Group will continue focusing on promoting keep-cups, single-use package sorting and recycling. The Group will continue with its external and internal sustainability campaigns and perform a number of energy audits across markets to ensure that opportunities for energy savings are identified and utilized.

Further, the Group recognizes the growing importance of ESG reporting and during 2022 intends to establish an ESG reporting framework that would allow creation of KPIs and metrics, and accordingly ESG reporting in the coming years. The Group also intends to formalize its sustainability efforts by joining United Nations Global Compact and publishing annual Communication of Progress reports.

Business and Data Ethics

Policy

The Group doesn’t have a formalised policy yet for data ethics but are working on establishing this. The Group understands the importance of maintaining a high level of integrity among its employees and has incorporated business and data ethics considerations in several policies related to corporate culture, management, IT and supply chain in order to manage risks related to e.g. bribery or corruption or other unethical conduct in violation of our standards.

Management's Review

Activities and results
In 2021, the Group was working to sustain the right culture in the Group and set out standards and policies for transparency, corporate integrity, IT security and employee conduct on all levels. The Group has a fully functional whistleblower service provided by a third-party and readily available to all employees with the option to report anonymously. The employees are provided with relevant training related to our policies and services. The Group focused on growing other digital aspects of the business and a number of IT security measures and risk assessments have been put in place to ensure the security and stability of the Group IT systems.

Based on the intiatives during the year, the employees now have a good knowledge of business ethics policies and our internal reporting systems such as whistleblower and IT security measures. Due to organizational changes in 2021, the Group did not yet implement its formal data ethics policy. The Group adheres to all applicable data privacy laws and regulations across jusrisdictions in which it operates such as GDPR and CCPA and supports responsible and ethical data processing of both customers and employees. Customer data collected through JOE & THE JUICE's digital sales channels such as app and website are used to improve customer experience while JOE & THE JUICE's POS terminals have a secure end-to-end setup covering the whole payment value chain.

Plans
In 2022, the Group will continue its activities related to promoting and mainstreaming adopted policies and culture of fairness and transparency. The Group is working on increasing its business focus on cyber security by establishing cyber insurance programs to ensure coverage in case of a cyber security breach. Further to that, the Group intends to launch a number of awareness raising campaigns and trainings to strengthen data privacy and cyber security. In 2022, the Group will implement formal data ethics policies, together with correcponding training and awareness campaigns.

Report on the Gender Composition in Management, Cf. Section 99 b of the Danish Financial Statements Act

The Management and the Board of Directors aim to follow the recommendations of the Danish Business Authority concerning the underrepresented gender. The Group was actively working on increasing the number of representatives of the underrepresented gender, even though there was no change in 2021.

The gender composition of the Board of Directors did not change during 2021, and the percentage of women is 25%, meaning that two out of eight Board of Directors are women. In 2017, the Group had set a target for the number of women on the Board of Directors to be two out of eight by 2022. Therefore the target set in 2017 is reached and the new target for 2025 is that a minimum 37.5% of the Board of Directors are of the under-represented gender.

The Group recognizes the importance of attracting, developing, and retaining the right talent of all genders, nationalities, and races, which are chosen solely because of their professional qualifications. In 2021, the Group's focus was on attracting and hiring employees of all genders equally to increase employee diversity and consequently has increased the percentage of female employees from 35% at the beginning of the year to 47% at year-end.

The same hiring principles apply to all organizational levels, including Management. The percentage of women in managerial roles was around 3%. The Group has set the target tof reach 25% of the under-represented gender in managerial roles by 2025. In 2022, the Group will continue focusing on attracting and hiring employees of all genders with a focus on increasing the underrepresented gender percentage to 50% and will be particularly focusing on increasing the percentage of women in managerial roles.

In 2022, the Group aims to increase awareness about career opportunities for all employees, with a particular focus on the underrepresented gender, and encourage female candidates to pursue their career goals within the Group.

Uncertainty relating to recognition and measurement

The Group has tax losses carried forward in total of 1,054.0 mDKK, of which 14,0 mDKK is recognised as deferred tax assets to be offset in future positive income. There is uncertainty related to future forecast and when the tax asset will be fully utilized.

Besides the area above, recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2021 of the Group and the results of the activities and cash flows of the Group for the financial year 2021 have been affected by COVID-19.

Subsequent events

No significant subsequent events materially affecting the Company’s or the Groups financial position have occurred after the balance sheet date.

Consolidated income statement (loss)
for the year ended 31 December 2021

In thousands DKK	Notes	2021	2020
Revenue	4	**1.109.826**	**834.504**
Expenses for raw materials and consumables		-228.631	-175.296
Store operating costs		-155.290	-60.724
General & administrative costs		-134.372	-107.158
Staff expenses	5,6	-387.348	-330.718
Other operating income	7	67.757	88.844
Earnings before amortisation and depreciation (EBITDA)		**271.941**	**249.452**
Depreciation, impairment and amortisation	8	-321.824	-462.071
Operating profit (EBIT)		**-49.882**	**-212.619**
Financial income	9	53.116	6.099
Financial expenses	9	-208.814	-257.696
Loss before income tax		**-205.580**	**-464.216**
Income tax expense	10	-26.931	-9.954
Loss for the year		**-232.511**	**-474.170**

Consolidated statement of comprehensive loss
for the year ended 31 December 2021

In thousands DKK	Notes	**2021**	**2020**
Loss for the year		- 232.511	- 474.170
Other comprehensive loss			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		- 50.709	28.424
Recycling of discontinued cash flow hedges, included in financial expenses		4.582	4.790
Other comprehensive loss for the year, net of tax		**- 46.127**	**33.214**
Total comprehensive loss for the year		**- 278.638**	**- 440.956**

Consolidated balance sheet
as at 31 December 2021

In thousands DKK	Notes	**2021**	**2020**	**As at 1 January 2020**
Assets				
Non-current assets				
Goodwill	11	181.235	181.235	181.235
Other intangible assets	11	32.949	30.397	26.942
Property, plant and equipment	12	289.283	304.659	405.376
Right-of-use assets	13	1.405.208	1.519.786	1.954.139
Deferred tax assets	14	14.032	32.675	41.438
Deposits		7.516	7.037	9.535
Total non-current assets		**1.930.223**	**2.075.789**	**2.618.665**
Current assets				
Inventories		19.534	17.343	17.527
Trade receivables	17	25.781	12.888	39.343
Tax receivables		-	2.711	405
Prepayments		13.586	3.109	327
Other receivables		10.115	983	8.903
Cash and cash equivalents		258.247	68.156	50.357
Total current assets		**327.263**	**105.190**	**116.862**
Total assets		**2.257.486**	**2.180.979**	**2.735.527**

Consolidated balance sheet
as at 31 December 2021

In thousands DKK	Notes	2021	2020	As at 1 January 2020
Equity				
Share capital	18	64.557	50.092	37.063
Total reserves		-26.351	19.748	-13.490
Accumulated loss		-812.431	-864.603	-581.905
Total deficiency		**-774.224**	**-794.763**	**-558.332**
Liabilities				
Non-current liabilities				
Provisions	15	60.843	59.314	31.821
Lease liabilities	13	1.408.822	1.424.751	1.724.196
Borrowings	16	967.817	940.659	838.975
Subordinated loan	16	121.253	115.197	105.277
Trade- and other payables		3.444	8.604	8.420
Total non-current liabilities		**2.562.179**	**2.548.525**	**2.708.689**
Current liabilities				
Provisions	15	5.374	8.176	1.536
Lease liabilities	13	140.000	150.528	187.055
Borrowings	16	-	-	73.906
Current tax liabilities		4.920	-	-
Trade payables		189.134	194.311	245.100
Other payables		93.895	66.671	76.438
Deferred income	17	36.209	7.531	1.135
Total current liabilities		**469.532**	**427.217**	**585.170**
Total liabilities		**3.031.711**	**2.975.742**	**3.293.859**
Total liabilities and deficiency		**2.257.486**	**2.180.979**	**2.735.527**

Consolidated statement of changes in equity
for the year ended 31 December 2021

In thousands DKK	**Share capital**	Reserve for treasury shares	Foreign currency translation reserve	Cash flow hedging reserve	**Total reserves**	**Accumulated loss**	**Total deficiency**
Equity at 1 January 2021	**50.092**	**-32**	**28.424**	**-8.644**	**19.748**	**-864.603**	**-794.763**
Loss for the year	-	-	-	-	-	-232.511	-232.511
Other comprehensive income	-	-	-50.709	4.582	-46.127	-	-46.127
Total comprehensive loss	**-**	**-**	**-50.709**	**4.582**	**-46.127**	**-232.511**	**-278.638**
Transactions with owners in their capacity as owners							
	-		-	-		-	-
Sale of treasury shares	-	28	-	-	28	702	730
Capital increase	14.465	-	-	-	-	285.535	300.000
Costs related to capital increase					-	-1.107	-1.107
Share-based payments	-	-	-	-	-	-446	-446
Total transactions with owners	**14.465**	**28**	**-**	**-**	**28**	**284.684**	**299.177**
Equity at 31 December 2021	**64.557**	**-4**	**-22.285**	**-4.062**	**-26.351**	**-812.431**	**-774.224**

Consolidated statement of changes in equity
for the year ended 31 December 2020

In thousands DKK	**Share capital**	Reserve for treasury shares	Foreign currency translation reserve	Cash flow hedging reserve	**Total reserves**	**Accumulated loss**	**Total deficiency**
Equity at 1 January 2020	**37.063**	**-56**	**-**	**-13.434**	**-13.490**	**-581.905**	**-558.332**
Loss for the year	-	-	-	-	-	-474.170	-474.170
Other comprehensive loss	-	-	28.424	4.790	33.214	-	33.214
Total comprehensive loss	**-**	**-**	**28.424**	**4.790**	**33.214**	**-474.170**	**-440.956**
Transactions with owners in their capacity as owners							
Acquisition of treasury shares	-	-	-	-	-	-1.450	-1.450
Sale of treasury shares	-	25	-	-	25	3.923	3.948
Capital increase	13.029	-	-	-	-	186.971	200.000
Costs related to capital increase					-	-1.738	-1.738
Share-based payments	-	-	-	-	-	3.765	3.765
Total transactions with owners	**13.029**	**25**	**-**	**-**	**25**	**191.471**	**204.525**
Equity at 31 December 2020	**50.092**	**-32**	**28.424**	**-8.644**	**19.748**	**-864.603**	**-794.763**

Consolidated statement of cash flows
for the year ended 31 December 2021

In thousands DKK	Notes	2021	2020
Cash flows from operating activities			
Loss for the year		- 232.511	- 474.170
Adjustments for Non-Cash Items	26	507.245	737.688
Changes in net working capital	26	2.001	19.222
Interest received		8.921	7.988
Interest paid		- 171.015	- 250.158
Income taxes paid/received	10	1.595	- 187
Net cash inflow (outflow) from operating activities		**116.235**	**40.383**
Cash flows from investing activities			
Payments for intangible assets	11	- 13.157	- 10.281
Payments for property, plant and equipment	12	- 63.855	- 54.349
Net cash inflow (outflow) from investing activities		**- 77.012**	**- 64.630**
Cash flows from financing activities			
Proceeds from issues of shares		298.893	198.262
Proceeds from borrowings	16	-	88.830
Repurchase of treasury shares	18	- 730	2.498
Repayment of borrowings	16	-	- 60.489
Repayment of lease liabilities		- 149.988	- 187.055
Net cash inflow (outflow) from financing activities		**148.175**	**42.046**
Net cash flow for the year		187.398	17.799
Cash and cash equivalents at the beginning of the year		68.156	50.357
Effects of exchange rate changes on cash and cash equivalents		2.693	-
Cash and cash equivalents at end of the year		**258.247**	**68.156**

Contents of the notes to the financial statements

Contents of the notes to the consolidated financial statements

Note 1 Summary of significant accounting policies

General information

Joe & The Juice Holding is a limited liability incorporated in Denmark. It operates juice bars in 16 countries through 27 subsidiaries. It was incorporated in 2013 by Valedo Fund II and General Atlantic to acquire all equity interests in the Joe & The Juice Group.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in EU and additional Danish disclsoure requirements for entities belong to report class C Large.

The consolidated financial statements have been prepared under the historical cost convention. Certain financial instruments are measured at fair value as set out in the accounting policies.
The financial statements are presented in Danish Kroner (DKK), which is the parent company's functional currency. The financial statements have been rounded to the nearest thousand except when otherwise stated.

The financial statements are the first financial statements prepared in accordance with IFRS. The standards and interpretation mandatory for accounting periods beginning on 1 January 2021 have been applied. The statutory consolidated financial statements for 2020 comprise the consolidated financial statements prepared in accordance with the Danish Financial Statements Act.

New accounting policies and disclosures effective in 2022 or later

The IASB has issued, and the EU has endorsed, a number of new standards, and updated som existing standards, the majority of which are effective for accounting periods beginning on 1 January 2022 or later. Joe & The Juice Holding A/S has early adopted the COVID-19. amendment 2 comprising the accounting for COVID-19. related rent concessions in the period 1 July 2021 - 30 June 2022.

No other standards, updates and interpretations have been adopted. Joe & The Juice Holding A/S expects to adopt these standards, updates and interpretations when they become mandatory.

There are no standards that are not yet effective and that would be expected to have a material impact on Joe & The Juice Holding A/S in the current or future reporting periods and on forseeable future transactions.

Principles of consolidation

Subsidiaries

The consolidated financial statements include the parent company, Joe & The Juice Holding A/S, and its subsidiaries. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. This is generally established through holding of the majority of voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Contents of the notes to the consolidated financial statements

Note 1 Summary of significant accounting policies

Foreign currencies

Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses are presented in the statement of profit or loss, within financial income and expense.

Translation of group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency (DKK) are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet

- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Revenue recognition

Retail revenue

The Group's income is generated mainly by the sale of made-to order beverages and food from juice bars to customers. The amount reported as revenue comprises the gross sales price less value-added tax and discounts. All revenue within this category is recognised in accordance with the IFRS 15 category "at a point in time", and is recognised when control is transferred to the customer, generally being at the point in time of delivery.

In some instances, customers buy food and transportation in a single package through a delivery platform Management assesses whether Joe & The Juice or the operator of the delivery platform acts as principal vs. the customers. If the Group has primary responsibility for the services, the Group is considered principal, and the gross amount received from the customer is recognized as revenue. The payment to the party performing the transportation service recognized as an expense. If the party performing the transportation service has the primary responsibility, the gross amount received from the customer less the amount paid to the other party is recognized as revenue.

Note 1 Summary of significant accounting policies

The Group operates a customer loyalty programme. If a customer earns the right to additional goods for free or goods at a discount, the transaction price is allocated between the actual sale and the right to additional goods on a relative fair value basis. When determining fair value of the right to additional goods, the probability that the customer will earn sufficient points to obtain additional goods and the likelihood that the customer will actually exercise the right (breakage) is considered. Revenue that is deferred is presented in the line item 'Deferred income'.

Franchise revenue

In some countries, activities under the Joe & The Juice Brand are performed by franchisees. Such arrangements typically comprise a bundle of goods and services including a franchise right, technology support, onsite opening support, training, etc. When entering into such arrangements, the Group identifies the performance obligations included in the contract and allocates consideration to each of them and recognized revenue along will fulfillment of the respective performance obligations.

A franchise right and provision of a technology platform is considered to establish a right for the franchisee to use the Joe & The Juice Brand and concept as it exists throughout the term of the arrangement. Consequently, consideration attributable to the franchise right is recognized as revenue over the term of the arrangement. Revenue attributable to services which are considered distinct is recognized along with provision of the service.

Costs to fulfill such franchise agreements are capitalized and amortised over the contract term. The costs comprise mainly pre-opening support including salaries and travel expenses.

Incremental costs to obtain franchise agreement such as success based broker fees are capitalised and amortised over the contract term.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to generate revenue for the year.

Store operating costs

Store operating costs consists primarily of utilities, operating supplies, repairs and maintenance, as well as pre-opening costs. Store operating costs are excluding rent and Staff expens

General & administrative costs

General & administrative costs include exspenses relating to premises, marketing and distribution, office expenses as well as other selling costs and administrative expenses, less costs transferred to store operating costs. General & administrative costs are expensed as incurred.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll related expenses.

Other operating income

Other operating income comprise items of a secondary nature to the main activities of the Group. It comprises mainly of government grants and granted Covid-19 related rent concessions. Further, gains on the sale of intangible assets and property, plant and equipment are classified as other operating income.

Contents of the notes to the consolidated financial statements

Note 1 Summary of significant accounting policies

Government grants

Government grants comprises income arising from various support schemes established by goverments throughout the Covid-19 pandemic. Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Income from government grants is recognised on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs, is recognised in the income statement in the period in which it becomes receivable.

The accounting policy for Covid-19 related rent concessions is included in the accounting policies for leases.

Depreciation and amortisation

Depreciation and amortisation comprise amortisation, depreciation and impairment of intangible assets, right-of-use assets and property, plant and equipment.

Financial income and expenses

Financial income and expense comprises interest income and expenses as well as interest calculated using the effective interest rate method, foreign currency gains and losses, and interests from leasing agreements. Furthermore, realised and unrealised gains and losses on interest rate derivatives that cannot be classified as hedging contracts are included, as well as loss on modification of financial liabilities.

Income tax

The income tax expense or credit for the period is the tax payable/receivables on the current period's taxable income/Loss, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and tax loss carryforwards.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Property, plant and equipment

Property, plant and equipment is measured at historical cost less accumulated depreciation. The cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciations are calculated using the straight-line method, net of their residual values over their estimated useful lives, as follows:

Leasehold improvements	10 years or the lease term, if shorter
Furniture, fittings and equipment	3 years
Assets under construction	None

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds from the sale of such assets with the carrying amount. These are included in profit or loss as other operating income/expenses.

Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The leases of the Group consists mainly of property rentals.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.
Lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liability, and reducing the carrying amount to reflect the lease payments made.

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Amounts paid to a third party for obtaining the right to enter into a lease ("Key money") are included in the initial measurement of the right-of-use asset as initial direct costs.

Variable lease payments and payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss under the line item Store operating expense. Short-term leases are leases with a lease term of 12 months or less. The Group has no leases of low-value assets.

The Group has applied the practical expedient to Covid-19 related to rent consessions. This amendment provides relief for lessees from assessing whether a rent concession is a lease modification. Rent concessions that meets all of the following conditions, are recognised as income when obtained:

-Changes in lease payments result in the revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
-Any reduction in lease payments affects only payments originally due on or before 30 June 2022
-There is no substantive change to other terms and conditions of the lease

All other rent concessions are treated as lease modifications.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Goodwill and intangible assets

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and fair value of the identifiable assets acquired and liabilities assumed.

Goodwill is not amortised but is tested for impairment annually, or more frequently, if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relation to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash-generating units that are expected to benefit from the business combination in which goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the total revenue streams which is considered as one cash-generating unit in the group based on the internal management reporting.

Note 1 Summary of significant accounting policies

Property, plant and equipment, right of use assets and intangible assets other than goodwill are tested for impairment if events or changes in circumstances indicate that they might be imparied. Impairment for property, plant and equipment is generally assessed on restaurant by restaurant basis.

Intangible assets in progress and completed development projects
Intangible assets include in-progress and completed development projects.
They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Costs associated with maintaining IT-platforms are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique projects controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the projects include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.
Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Development projects - In progress	None
Software	5 years

Impairment of non financial assets
Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Financial instruments
Derivatives and hedging activities
Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. Fair value gains and losses are included in the income statement within financial items.

Contents of the notes to the consolidated financial statements

Note 1 Summary of significant accounting policies

Inventories
Inventories are comprised of raw materials and finshed productes for resale in stores are stated at the lower of cost and net realisable value. Cost comprises direct materials, and are assigned on the basis of first-in-first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Trade receivables
Trade receivables are recognised initially at the transaction price and are subsequently measured at amortised cost using the effective interest method, less loss allowance.

The group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Prepayments
Prepayments recognised as an asset comprise prepaid expenses regarding subsequent financial reporting years.

Cash and cash equivalents
Cash and cash equivalents comprises cash and demand deposits with banks.

Equity (Shareholders deficit)
Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deductions, net of tax, from the proceeds. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Share premium
Premium on issue of ordinary shares net of issue costs are recognised as share premium.

Foreign currency translation reserve
Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Hedging reserve
The hedging reserves includes the cash flow hedge reserve and is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently either transferred to the initial cost of the hedged non-financial item or reclassified to profit or loss as appropriate.

Note 1 Summary of significant accounting policies

Financial liabilities

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Where the terms of a financial liability are renegotiated and result in substantially different terms, this is treated as an extinguishment of the original liability and recognition of a new liability on the amended terms. Management considers both qualitative and quantitative changes in this assessment. Quantitative factors comprise among others change in the term of the loan, change in seniority, change in interest rate base and change in loan currency. Under the quantitative assessment, a change in the present value of the future payments discounted at the original discount rate changes by at least 10% is considered to establish substantially different terms. If the terms are considered not substantially different, the carrying amount of the liability is adjusted to equal the present value of the future payments under the amended terms including payments made to the lenders upon the renegotiation, discounted at the original effective interest rate. Third party transaction costs are amortised to the income statement over the remaining term of the loan.

Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Provisions mainly comprise of refurbishment obligations, legal disputes and received government grants not recognised in the income statement due to qualification uncertainties.

Trade payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually due within 30 days of recognition. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Other liabilities

Other liabilities comprises employee related costs, witholding tax liabilities, VAT etc. The liabilities are measured at the amount expected to be paid.

Deferred income

An obligation to transfer goods or services to a customer for which the group has received consideration from the customer or an amount of consideration is due is classified as a contract liability and presented as deferred revenue. A contract liability is recognised when the payment is made other payment is due(which ever is earlier). Contract liabilities are recognised as revenue when the group performs under the contract. Contract liabilities comprise mainly deferred revenue relation to franchise arrangements and gift cards/vouchers.

Contents of the notes to the consolidated financial statements

Note 1 Summary of significant accounting policies

Share-based payments

The group has issued equity settled warrants to member of Management and key employees. The grant date fair value of the warrants is recognized as an expense over the vesting period with a corresponding credit to retained earnings. Both programmes outstanding as of 31 December 2021 vest upon an exit event and continued employment, and the vesting period is consequently estimated based on expectations about the timing of an exit event. This estimate is reassessed regularly. Further, the expense is adjusted for the effect of forfeitures, and on a cumulative basis, the expense is equal to the grant date fair value of the number of warrants which actually vest.

Grant date fair value is determined taking into account market vesting conditions comprising a linkage between the number of awards that eventually vest and the exit date equity value. Fair value is not subsequently remeasured. Non-market vesting conditions comprising continued employment and the occurrence of an exit event throughout the service period are not included in grant date fair value. Upon commencement of expense recognition, an estimate of the extent to which non market vesting conditions will be met is made. If a participant fails to meet a non market vesting condition, no expense is recognised.

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets traded in active markets are based on quoted market prices at the close of trading on the reporting date. The fair value of financial instruments that are not traded in an active market is determined using generally accepted valutaion technics based on observable inputs from active markets. For financial liabilities where the fair value is disclosed, the fair value is estimated by discounting future contractual cash flows at the current market interest rate.

The Group classifies fair value measurement based on the degree of subjectivity in determining fair value:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over-thecounter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Cash flow statement

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

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise cash flows from the raising and repayment of long term debt and principal element on lease payments as well as payments to and from shareholders.

Contents of the notes to the consolidated financial statements

Note 1 Summary of significant accounting policies

Key figures

The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts.

Contents of the notes to the consolidated financial statements

Note 2 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

Share-based payment, 2016 warrant programme

Judgment in respect of classification of the arrangement as cash or equity settled

Under the arrangement, the Board can elect to settle the arrangement either in equity instruments or in cash. The arrangement is the first warrant arrangement in which the Group is part and consequently, there is no settlement practice. Further, due to the fact that the warrants are exercisable only upon an exit event means that the Group is expected to have the practical ability to settle in equity instruments. Consequently, the warrants are classified as equity settled.

Estimate in respect of determination of fair value

Fair value of the warrant programme depends on the equity value at exit. The equity instruments of the parent company are not traded in an active market, and consequently, there is no observable equity value and observable historic share price volatility. The warrant arrangement was established following General Atlantic's non-controlling equity investment in the Group, and the grant date equity value is considered established through this transaction. The assumptions which have the most significant impact on grant date fair value are disclosed in note 6.

Leases

Judgment in respect of determination of lease term

A substantial part of the group's lease contracts comprises Danish property leases. These contracts have extension options, and are considered non-cancelable from the perspective of the lessor. The group can generally terminate the leases with short notice (less than one year). Refer to note 13 for a discussion about the judgments made in respect of determining the lease term.

Impairment

Estimates in impairment of goodwill

In the estimate of the recoverable amount of goodwill, that is allocated to the segment Denmark, the directors consider the 2022 budget to be the most sensitive element. Budgets comprise forecasts of revenue, staff costs and overheads based on current and anticipated market conditions that have been considered and approved by the Board. Whilst the group is able to manage most of costs, the revenue projections are inherently uncertain due to the short-term nature of the business and unstable market conditions post COVID-19. The market has seen a significant slowdown during the Covid 10 pandemic due to enforcement of restrictions. It is possible that the recovery after lifting of the COVID-19 restrictions will be slower than anticipated. The assumptions which have the most significant impact on the recovery amount of goodwill are disclosed in note 11.

Assessment of indication of impairment on other assets

The most significant assets of the group are right-of-use assets related to property leases and leasehold improvements. The assessment of indication of impairment of right-of-use assets and leasehold improvements is performed on store by store basis and are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The assessment of impairment is based on business plans, budgets and longer term projections. Revenue projections are inherently uncertain due to the short-term nature of the business and unstable market conditions post COVID-19.

Contents of the notes to the financial statements

Note 3 Going concern

Over recent years, the Group has suffered significant losses, and has been supported by the shareholders through capital increases. As of 31 December 2021, liabilities exceed the carrying amount of the Group's assets by a substantial amount. The Group is however currently generating positive cash flows from its operations and based on liquidity forecasts, expects to meet the financial covenants set out in the syndicated loan agreement. In July 2023, the term facility and the revolving credit facility fall due. Further, the capex facility except for 75 MDKK falls due in June 2023. Finally, the subordinated loan granted by Vækstfonden falls due in July 2023. The Group does not expect to generate sufficient cash from operations to meet this repayment obligation. Management has initiated discussion with the bank syndicate regarding deferral of repayments. Based on these discussions and an assessment of the enterprise value of the Group, Management expects a positive outcome of the discussions or in case of failure that alternative funding sources are available. On this basis, Management has prepared the financial statement based on the assumption that the Group will continue its operations.

Contents of the notes to the consolidated financial statements

Note 4 Revenue

The Group's revenue mainly comprises of revenue from made-to-order bevarages and food from juice bars. In 2021, more than 99% (2020: more than 99%) of the Group's revenue is attributable to such sales. The remaining revenue arises from franchise income.

In thousands DKK	**2021**	**2020**
The group's revenue can be attributed to the following regions:		
Nordics	514.039	421.524
United Kingdom	221.872	161.201
Other European countries	108.324	73.059
United States	250.129	160.646
Asia Pacific	15.462	18.074
	1.109.826	**834.504**

Note 5 Staff expenses

In thousands DKK	**2021**	**2020**
Wages and salaries	- 373.470	- 318.853
Defined contribution plans	- 4.067	- 2.332
Share-based payment	446	- 3.765
Other social security costs	- 6.889	- 4.907
Other staff costs	- 7.475	- 4.857
Total	**- 391.455**	**- 334.714**
Staff expenses capitalised as property, plant and equipment and intangible assets	4.107	3.996
Staff expenses total	**- 387.348**	**- 330.718**
Average number of employees	2.120	1.946

Key Management Compensation

Key Management consists of Executive Board and Board of Directors. The compensation paid or payables to Key Management for employee services is shown below:

2021 *In thousands DKK*	Executive Board	Board of Directors	Total
Wages and salaries	- 4.384	-	- 4.384
Share-based payment	- 67	- 313	-
Board compensation	-	- 2.300	- 2.300
Total	**- 4.451**	**- 2.613**	**- 6.684**

2020 *In thousands DKK*	Executive Board	Board of Directors	Total
Wages and salaries	- 1.958	-	- 1.958
Share-based payment	- 1.057	- 2.466	- 3.523
Board compensation	-	- 3.875	- 3.875
Total	**- 3.015**	**- 6.341**	**- 9.356**

Contents of the notes to the consolidated financial statements

Note 6 Share-based payments

2016 warrant programme

In November 2016, a variable number of equity settled warrants in the Parent company were granted to the chairman of the Board and the CEO in the proportion 70/30%. The warrants are exercisable only upon an exit event comprising among others sale of 2/3 or more of the share capital, an initial public offering or a merger with Joe & The Juice Holding as the discontinuing entity and where the shareholders of Joe & The Juice Holding receive cash . Further, they are subject to the participants still being in service for the Group as of this date, and a minimum enterprice value requerment. The warrants have no expiry date.

The arrangement entitles the participants to a variable number of warrants with a fair value of the underlying shares being equal a contractually specified amount. The amount dependes on the enterprise value. The exercise price is 0.01 DKK per share.

The below table sets out the entitlement in selected equity value scenarios.

Enterprise value	Fair value of underlying shares
<=4,000 MDKK	-
4,000 MDKK	51 MDKK
7,500 MDKK	252.25 MDKK
10,000 MDKK	420.25 MDKK
15,000 MDKK	820.32 MDKK

The terms comprise anti-dilution provisions protecting the warrant holders from dilution through capital changes and dividend payments.

Grant date fair value amounts to 17.6 MDKK. The compensation expense recognized in 2021 amounts to an income of 0.8 MDKK (2020: expense of 3.8 MDKK). In 2021, the expected term was re-assesed from 5 to apprx. 6.5 years resulting in a negative "catch up" adjustment of 4.0 MDKK which is included in the income stated above. The basis for determining the key assumptions are discussed in the table below.

Assumptions	Determination of value
Expected share price volatility	Observable historic volatility for a Peer Group of comparable listed entities adjusted for differences in capital structure.
Expected term	Most likely date of exit based on the exit strategy of the controlling shareholder

The subjective nature of the assumptions required management to use significant judgment, and small changes in any individual assumption or in combination with other assumptions could have yielded significantly different results.

Valuation methodology and assumptions applied

A Monte Carlo model based on a Geometric Brownian Motion and risk neutral measures has been applied as the option-pricing model for valuing the warrants. The model is based on 10,000 random numbers. The method uses a three-step process:

- Simulate potential future value of the equity;
- Calculate the payoff of the option for each of the potential underlying value paths;
- Discount the payoffs back to the valuation date and calculate the average of them to determine the expected value of the option.

This approach has been chosen due to the fact that the number of shares that can be subscribed for is dependent on the future equity value of the ordinary shares in various thresholds as described above.

Contents of the notes to the consolidated financial statements

Note 6 Share-based payments

Based on the input variables described below, the future equity value of the ordinary shares has been determined. This has been done by estimating the total equity value at the expected exit date based on each of the random numbers and then deducting the value of preference shares as per the same date. The payoff from the warrants is then calculated as the difference between the value of an ordinary share (diluted based on the additional shares to be subscribed for and the exercise price paid in each of the value paths) and the exercise price, multiplied by the number of shares that can be subscribed for. The average present value of the payoff in each simulation corresponds to the value of the warrants.

The following assumptions have been applied:

Equity value at grant date	2,000 MDKK
Expected share price volatility	38.6%
Expected term	4 years
Risk free interest rate	-0.31%

2020 warrant programme

In August 2020, a warrant programme comprising 96,531,134 warrants was offered to a number of key employees. The warrants are exercisable only if the total equity value of the Company exceeds 3.5 billion DKK. Each warrant entitles the holder to acquire one newly issued common share in the Company for an amount equal to the exercise price of 0.01 DKK per share. The warrants become exercisable upon an exit event and are subject to continued employment, and a minimum enterprise value requerment. However if an exit takes place no more than one year after termination of employment, the participant retains the right to exercise the warrants. They expire after 10 years.

The terms comprise anti-dilution provisions protecting the warrant holders from dilution through capital changes and dividend payments.

'000	Key Management	Other key employees	Total
Granted during the year	18.512	78.019	96.531
Forfeited	-	-302	-302
Outstanding on 31 December 2020	18.512	77.717	96.229
Forfeited	-2.621	-3.422	-6.043
Transfers	-5.297	5.297	-
Outstanding on 31 December 2021	10.594	79.592	90.186

None of the warrants were exercisable as of 31 December 2021 (31/12 2020:0).

Fair value at grant date amounts to 0.6 MDKK and the expense recognized in 2021 amounts to 0.4 MDKK (2020: 0.2 MDKK), taking into consideration the effect of an exit event within one year after potential termination of employment.

Valuation methodology and assumptions applied

Fair value has been determined based on a black scholes option pricing model taking into account the equity value threshold and by probability weighting different outcomes for the expected term. The most significant assumptions are the following:

Equity value at grant date	1,023 MDKK
Expected share price volatility	40%
Expected term	Average 1.9 years
Risk free interest rate	-0.5 – -0.6%

Contents of the notes to the consolidated financial statements

Note 7 Other operating income

In thousands DKK	**2021**	**2020**
Government grants:		
Fixed cost and salary compensation	29.643	23.104
Forgivable loans	5.995	17.845
	35.638	**40.949**
Covid 19 related rent concessions	17.921	45.838
Other	14.198	2.058
Total other operating income	67.757	88.845

Due to the extraordinary situation arising from the Covid-19 pandemic Governments in various jurisdictions established support schemes in respect of salaries and other operating costs.

Some of the programmes are established as forgiveable loans. As of 31 December 2021, the criteria for obtaining forgiveness were met, and conseqeuntly, the loans have been treated as government grants. All expenses which the agreements intend to compensate for, have been incurred as of 31 December 2021. Therefore, the full amount received is recognized as other operating income in 2021.

There are no unfulfilled conditions and other contingencies attached to government assistance that has to be recognized

The Group has applied the practical expedient Covid 19 related rent concessions for all leases and consequently recognised the amount forgiven by the lessors as income to the extent that the criteria for applying the practical expedient are met.

Contents of the notes to the consolidated financial statements

Note 8 Depreciation and amortisation

In thousands DKK	**2021**	**2020**
Depreciation of property, plant and equipment	- 85.714	- 175.734
Impairment of property, plant and equipment	- 10.357	-
Depreciation of right-of-use assets	- 218.896	- 277.036
Impairment of right-of-use assets	3.016	- 2.475
Amortisation of intangible assets	- 9.792	- 6.826
Impairment of intangible assets	- 81	-
	- 321.824	**- 462.071**

Contents of the notes to the consolidated financial statements

Note 9 Financial income and expenses

In thousands DKK	2021	2020
Financial income:		
Interest income	1.622	-
Foreign exchange rate gains	43.755	-
Fair value gains on interest rate derivatives	7.739	6.099
Total financial income	**53.116**	**6.099**
Financial expenses:		
Interest expense borrowings and subordinated loan	- 106.829	- 96.698
Interest expense on lease liabilities	- 97.403	- 114.222
Foreign exchange rate losses	-	- 41.979
Recycling of fair value changes related to discontinued interest rate hedges	- 4.582	- 4.797
Total financial expenses	**- 208.814**	**- 257.696**

Contents of the notes to the consolidated financial statements

Note 10 Income tax expense

In thousands DKK	**2021**	**2020**
Current tax		
Current tax on profits for the year	3.113	-
Adjustments for current tax of prior periods	2.980	-
Total current tax expense	**6.093**	**-**
Deferred income tax		
Decrease/(increase) in deferred tax assets	6.732	9.570
(Decrease)/increase in deferred tax liabilities	-	-
Adjustment of deferred tax concerning previous years	14.107	384
Total deferred tax expense/(benefit)	**20.839**	**9.954**
Income tax expense	**26.932**	**9.954**
Aggregate current and deferred tax arising in the year and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity:		
Deferred tax: Share-based payment	-	-
Reconcilliation of effective tax rate		
Calculated 22% (2020: 22%) tax on income for the period before income tax	- 45.228	- 102.128
Adjusted for tax in foreign group entities compared with 22% rate (2020: 22%)	- 1.200	1.230
Tax effects of:		
Change in deferred tax assets not recognised	48.561	110.468
Non-deductible expenses	7.711	-
Adjustments for tax of prior periods	17.087	384
Income tax (credit)/charge for the year	**26.931**	**9.954**

Contents of the notes to the consolidated financial statements

Note 11 Intangible assets

In thousands DKK	Goodwill	Development projects in progress	Software	Total
Cost:				
At 1 January 2020	181.235	-	29.518	210.753
Exchange adjustment	-	-	-	-
Additions	-	732	9.549	10.281
Disposals	-	-	-	-
At 31 December 2020	**181.235**	**732**	**39.067**	**221.034**
				-
Accumulated amortisation and impairment:				
At 1 January 2020	-	-	2.576	2.576
Exchange adjustment	-	-	-	-
Amortisation charge for the year	-	-	6.826	6.826
Impairment	-	-	-	-
Amortisation of disposals for the year	-	-	-	-
At 31 December 2020	**-**	**-**	**9.402**	**9.402**
				-
Carrying amount 31 December 2020	**181.235**	**732**	**29.665**	**211.632**
Cost:				
At 1 January 2021	181.235	732	39.067	221.034
Additions	-	-	13.157	13.157
Disposals	- -	732	- -	732
Exchange differences	-	-	-	-
At 31 December 2021	**181.235**	**-**	**52.224**	**233.459**
Accumulated amortisation and impairment:				
At 1 January 2021	-	-	9.402	9.402
Amortisation charge for the year			9.792	9.792
Impairment	-	-	81	81
Transfers	-	-	-	-
Amortisation of disposals for the year	-	-	-	-
Exchange differences	-	-	-	-
At 31 December 2021	**-**	**-**	**19.275**	**19.275**
Carrying amount 31 December 2021	**181.235**	**-**	**32.949**	**214.184**

Assumptions for impairment tests for goodwill

The Group tests whether goodwill has suffered any impairment on an annual basis. For 2021 and 2020, no impairment loss has been recognised.

Goodwill is monitored at operating segment level. When acquired in 2013, the activities outside Denmark were insignificant, and consequently, all goodwill has been allocated to the segment Denmark.

Contents of the notes to the consolidated financial statements

Note 11 Intangible assets

The impairment test is based on value in use.
The expected future net cash flow is based on budgets and business plans approved by Management for the year 2022 and projections for subsequent years up to and including 2025 followed by a terminal period starting from 2026.
The key operating assumptions in the budget period are revenue growth and gross margin. The assumptions are determined based on past experience assuming an increase in revenue to the post Covid 19 level in 2022. The Group's Danish activities suffered a minor loss before tax in 2020 and were break even in 2021. Following lifting of the COVID-19 restrictions in the beginning of 2022, earnings gradually return to the pre COVID-19 level.

The discount rate applied is 7.6%, corresponding to a pre-tax rate of 9.7%. The applied growth rate in the terminal period is 2.5% p.a. The terminal growth rate exceeds the general long term expected growth rate as the market in which Joe & The Juice Denmark operates is considered to be a growing market.

It is Management's assessment that no reasonable alternative operating assumption would have led to an impairment.

Contents of the notes to the consolidated financial statements

Note 12 Property, plant and equipment

In thousands DKK	Leasehold improvements	Furniture, fittings and equipment	Assets under construction	Total
Cost:				
At 1 January 2020	410.737	469.076	4.345	884.158
Additions	22.103	31.872	374	54.349
Transfers	-30.580	-102.280	-3.733	-136.593
Disposals	-25.095	-17.082	-	-42.177
Exchange differences	-22.511	-13.763	-	-36.274
At 31 December 2020	**354.654**	**367.823**	**986**	**723.463**
Accumulated depreciation and impairment:				
At 1 January 2020	83.613	331.411	-	415.024
Depreciation charge for the year	56.666	52.676	-	109.342
Impairment	-	-	-	-
Accumulated impairment and				-
depreciation on assets sold	-4.916	-14.136	-	-19.052
Transfers	-10.219	-62.616	-	-72.835
Exchange differences	-4.506	-9.169	-	-13.675
At 31 December 2020	**120.638**	**298.166**	**-**	**418.804**
Carrying amount 31 December 2020	**234.016**	**69.657**	**986**	**304.659**
Cost:				
At 1 January 2021	354.654	367.823	986	723.463
Additions	34.228	33.597	1.125	68.950
Transfers	1.059	-	-1.059	-
Disposals	-14.770	-18.139	-	-32.909
Exchange differences	19.660	14.233	73	33.966
At 31 December 2021	**394.831**	**397.514**	**1.125**	**793.470**
Accumulated depreciation and impairment:				
At 1 January 2021	120.638	298.166	-	418.804
Depreciation charge for the year	35.915	44.330	-	80.245
Impairment	8.712	1.645	-	10.357
Accumulated impairment and				
depreciation on assets sold	-8.924	-14.318	-	-23.242
Transfers	-	-	-	-
Exchange differences	6.595	11.428	-	18.023
At 31 December 2021	**162.936**	**341.251**	**-**	**504.187**
Carrying amount 31 December 2021	**231.895**	**56.263**	**1.125**	**289.283**

Contents of the notes to the consolidated financial statements

Note 13 Leases

In thousands DKK	2021	2020	As at 1 January 2020
Amounts recognised in the balance sheet			
The balance sheet shows the following amounts relating to leases:			
Right-of-use assets			
Properties	1.404.594	1.502.094	1.890.381
Others	5.215	17.692	63.758
	1.409.810	**1.519.786**	**1.954.139**
Additions to the right-of-use assets	62.695	54.080	
Lease liabilities			
Current	140.000	150.528	187.055
Non-current	1.408.822	1.424.751	1.724.196
	1.548.822	**1.575.279**	**1.911.251**
Amounts recognised in the statement of profit or loss			
The statement of profit or loss shows the following amounts relating to leases:			
Depreciation charge of right-of-use assets			
Properties	205.715	254.034	
Others	13.967	15.876	
	219.682	**269.910**	
Interest expense on lease liabilities	97.403	114.222	
Expense relating to short-term leases	1.405	2.620	
Expense relating to variable lease payments not included in lease liabilities	28.442	19.894	
Total cash outflow for leases	277.238	323.791	

Key money amounted to DKK 26,123 thousand (2020: DKK 30,789 thousand)

Variable lease payments not included in lease liabilities are related to stores located in airports, where the final payments are dependent on the number of passengers.

Determination of lease term

The group generally leases its properties and to a limited extent other assets.
A substantial part of the group's lease contracts comprises Danish property leases. These contracts have extension options, and are considered non-cancelable from the perspective of the lessor. A minor part of Swedish property leases contain similar extension options. The group can generally terminate the leases with short term notice, and taken in consideration both the degree of historic exercise of extension options and unexpected events, the group has assessed that it is reasonably certain that the remaining lease term will be 15 years for the property leases commenced as of 1 January 2020. The group reasesses the lease term upon the occurrence of either a significant event or significant changes in circumstanses that are within the control of the group. Danish restaurants are generelly located at prime locations. Further, the market in which the Group operates is characterised by being a relatively mature market, and historically, only a few restaurants have been closed down. On this basis, Management has determined that it is reasonably certain that as the transition date the remaining lease term was 15 years.

Note 13 Leases

Other property leases are mainly fixed term leases with a remaining lease term of between 10 and 15 years as of 31 December 2021, and these contracts comprise renegotiation clauses effective upon expiry of the original lease term.
All other leases are fixed term leases with a 12 to 60 month fixed time span.
Expenses relating to variable lease payments comprise mainly revenue based lease payments.

The majority of the recognised leases are property leases in Denmark, United States and United Kingdom. The carrying amount of the right of use assets in the respective jurisdictions are as follows

In thousands DKK	31 December 2021	31 December 2020
Denmark	372.522	402.006
United States	456.378	544.586
United Kingdom	307.286	284.009

The property leases in United States and United Kingdom generally have a predetermined term, whereas the property leases in Denmark are perpetual leases where only the lessee can terminate the contract. Refer to note 2 in respect of discussion of the judgments made in respect of determination of the lease term.

The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Some rental agreements comprise revenue based lease payments in addition to fixed payments. The variable lease payments disclosed above comprise such revenue based payments.

For maturity of lease liabilities see note 20

Contents of the notes to the consolidated financial statements

Note 14 Deferred tax

In thousands DKK	**2021**	**2020**
Deferred tax		
Deferred tax at the beginning of period	32.675	41.438
Change in deferred tax for the year	- 20.839	- 9.954
Adjustment to prior years deferred tax	-	384
Exchange adjustment	2.195	807
Deferred tax at 31 December	**14.031**	**32.675**
Deferred tax relates to:		
Intangible assets	- 4.820	- 6.674
Property, plant and equipment	6.970	14.889
Right-of-use assets	- 311.409	- 83.257
Lease liabilities	401.294	84.116
Borrowings	8.414	21.060
Tax losses carried forward	150.131	160.948
Total	**250.580**	**191.082**
Of which presented as deferred tax assets	14.032	32.675
Of which presented as deferred tax liabilities	-	-
Deferred tax at 31 December	**14.032**	**32.675**
Deferred tax asset not recognised in the balance sheet	236.453	158.047
Deferred tax asset at 31 December	**14.032**	**32.675**

In line with the requirements if IAS 12, deferred tax assets and liabilities within each tax jurisdiction are offset if they have a legal right to set off and relate to income tax with the same taxation authority.

The recogonised tax assets that relates to tax losses carried forward, which is the result of previous years taxable income, mainly relates to operations outside Denmark. In connection with the assessment of the utilisation of the tax assets, special emphasis has been placed on the fact that the most significant tax loss carry forward are in markets, where the group now is well established and these operations are expected to generate positive results going forward.

The group has unrecognised tax assets in a number of jurisdictions primarily within USA and Denmark. The unrecognised tax assets related to tax losses carried forward are in the range of DKK 206 million, and has not been recognised due to uncertainties of the utilisation within the next 3-5 years. There is no expiration date on tax loss carried forward and the use of tax losses is restricted upon changes in ownership. A change in ownership of the group may result in restrictions on the groups ability to use tax losses in certain juristications.

Contents of the notes to the consolidated financial statements

Note 15 Provisions

In thousands DKK	Refurbishment obligation	Other provisions	Total
At 1 January 2021	59.190	8.300	67.490
Additional provisions recognised	5.095	360	5.455
Amounts used during the year	- 866	- 5.862	- 6.728
At 31 December 2021	**63.419**	**2.798**	**66.217**

The Groups provisions are presented as follows in the balance sheet:

Non-current liabilities	59.396	1.447	60.843
Current liabilities	4.023	1.351	5.374
Total	**63.419**	**2.798**	**66.217**

Refurbishment obligation

The Group is required to restore the leased premises to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of leasehold improvements and are amortised over the shorter of the term of the lease and the useful life of the assets.

Other provisions

Timing of settlement of legal disputes cannot be determined whereas the remaining provisions are expected to be settled in one to two years.

Note 16 Borrowings

The group had the following loan facilities outstanding as of 31 December 2021.

Facility	Outstanding amount	Interest	Expiry
Syndicated bank loans	*TDKK*		
Term loan	*614.070 (2020: 605.553)*	3M Cibor* + a variable margin up to 550 bp	31 July 2023
Capex facility loan, DKK	338.772 *(2020: 329.901)*	3M Cibor* + a variable margin up to 400 bp	31 March 2026: 100 mDKK. 30 June 2023: 288,8 mDKK.
Capex facility loan, USD or GBP	26.917 *(2020: 26.532)*	3M libor* + a variable margin up to 425 bp	30 June 2023
Subordinated loan			
Vækstfonden	125.076 *(2020: 115.197)*	3M Cibor* + 831.3 bp	31 July 2023

*) If the rate resets at below 0%, the rate is set at 0%

The syndicated bank loans are subject to certain loan covenants being complied with. As of 1 January 2019, the maximum leverage (net senior debt to adjusted EBITDA) allowed was 5.0. As of this point in time, leverage was greater than 5.0 and the group was in breach with the loan covenants. Subject to a capital injection from the existing shareholders, the banks accepted to waive the breach against introduction of an additional margin of 100 basis points at a leverage above 6.0 resulting in a margin of up to 5.5% for the term loan. Under the amended agreement, leverage had to be reduced gradually over the remaining term with a maximum leverage of 5.75 on 31 December 2020.

No other changes were made to the loan agreement , and the amended terms are considered not substantially different from the original terms. Therefore, the loan was remeasured as of the amendment date based on the estimated amendment in the cash outflows resulting in an increase in the carrying amount of the loan of 14,033 TDKK.

In 2020 a covenant breach arose on the syndicated facility in respect of certain financial covenants (Net debt/EBITDA and EBITDA/Finance charges). In April 2020, the loan agreement was renegotiated resulting in introduction of a payment in kind interest in case of a Leverage maintained below 6.5 and consequently, the expected cash flows were not remeasured. Other changes were made to the loan agreement, and the amended terms are considered not substantially different from the term applying immediately before the amendment. Leverage maintained below 6.5 and consequently, the expected cash flows were not remeasured. A waiver fee in the amount of 2,875 TDKK was paid and has been recognized as a finance expense.

The lender can require repayment upon a change in control.

The loan from Vækstfonden is subordinated to the syndicated bank loans but not to other creditors. The lender can require repayment upon a change in control.

The floating interest rate is partially hedged through interest rate swaps. They are however not considered effective hedges. Refer to note 21.

Contents of the notes to the consolidated financial statements

Note 16 Borrowings

This section sets out an analysis of liabilities arising from financing activities and the movements in each of the periods presented

In thousands DKK	1 January 2021	Cash flows	Non-cash changes: New loans / leases*	Non-cash changes: Changes in foreign exchange rates	Non-cash changes: Other changes**	31 December 2021
Borrowings, current and non-current	940.659	-	-	-	27.158	967.817
Lease liabilities	1.575.279	- 149.988	62.695	67.931	- 7.095	1.548.822
Subordinated loan	115.197	-	-	-	6.059	121.256
Total liabilities from financing activities	**2.631.135**	**- 150.528**	**62.695**	**67.931**	**26.662**	**2.637.895**

In thousands DKK	1 January 2020	Cash flows	Non-cash changes: New loans / leases*	Non-cash changes: Changes in foreign exchange rates	Non-cash changes: Other changes**	31 December 2020
Borrowings, current and non-current	912.881	28.341	6.616	-	- 7.179	940.659
Lease liabilities	1.911.251	- 187.055	54.080	- 87.659	- 115.338	1.575.279
Subordinated loan	105.277	-	-	-	9.920	115.197
Total liabilities from financing activities	**2.929.409**	**- 158.714**	**60.696**	**- 87.659**	**- 112.597**	**2.631.135**

*New leases include remeasurements.

**Other changes include non-cash movements such as accrued interest expense and modification on loans and lease contracts mainly related to Covid-19.

Contents of the notes to the consolidated financial statements

Note 17 Contract balances

In thousands DKK	**2021**	**2020**	**As at 1 January 2020**
The group has recognised the following assets and liabilities related to contracts with customers:			
Trade receivables	25.781	12.888	39.343
Contract assets	**25.781**	**12.888**	**39.343**
Deferred income	36.209	7.531	1.135
Contract liabilities	**36.209**	**7.531**	**1.135**

Contract assets consists of trade receivables which is yet to be received, which mainly consists of credit card receivables.

Contract liabilities consists of deferred income related to payments received in respect of income in subsequent years. As of 31 December 2021, 24.8 MDKK (2020; nil) comprises of deferred franchise fees which will be recognized as revenue over the contractual term of 10 years. Other deferred income comprises of gift cards etc.

Contents of the notes to the consolidated financial statements

Note 18 Share capital

	2021		2020		As at 1 January 2020	
	Number of shares	Nominal value TDKK	Number of shares	Nominal value TDKK	Number of shares	Nominal value DKK
The share capital comprise:						
A-shares	2.011.244.066	20.112	1.577.299.910	15.773	1.186.420.912	11.864
B-shares	4.444.489.635	44.445	3.431.953.397	34.320	2.519.901.257	25.199
Share capital (fully paid)	6.455.733.701	64.557	5.009.253.307	50.093	3.706.322.169	37.063

	A-shares		B-Shares	
	2021	2020	2021	2020
	Number of shares	Number of shares	Number of shares	Number of shares
Changes in share capital				
Opening balance	1.577.299.910	1.186.420.912	3.431.953.397	2.519.901.257
Capital increase	433.944.156	390.878.998	1.012.536.238	912.052.140
Capital decrease	-	-	-	-
Total	2.011.244.066	1.577.299.910	4.444.489.635	3.431.953.397

All shares have nominal value of DKK 0.01.
All shares have equal voting rights. B-shares have a preferential dividend and liquidation right comprising the amount paid in + 10% interest p.a., which amounted to 215.7 DKKM at 31 December 2021 (2020: 157.0 DKKM). Holders of A shares are entitled to Proceeds in excess of the B-share preference amount.

Treasury shares

In 2021 the Group holds a total of 507.980 shares comprising 391.490 A-shares and 16.490 B-shares (2020: 3,167,105, comprising 1,218,909 A-shares and 1,948,196 B-shares) with a nominal value of DKK 0.01 corresponding to 0,01% of the total share capital. The shares have been acquired as part of the Group's strategy.

Contents of the notes to the consolidated financial statements

Note 19 Capital management

The group's objectives when managing capital is to:
- safeguard the ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to aid such objectives, Management prepares cash flow budgets regularly and forecasts when required. This enables Management to act in due time in order to comply with the capital management objectives.

The group obtained debt facilities from a syndicate of banks in 2016. Amendments have been added subsequently to the loan agreement. The loan agreements and the subsequent amendments in connection with the debt facilities constitute certain financial ratios ("covenants") which the group has to obey. These covenants are established to ensure that the group has a solid capital management. Accordingly it is important for both the bank syndicate and the group, that the group fulfills these covenants. The group has to obey two financial covenants 1) Net debt to EBITDA and 2) EBITDA/finance charges.
The group has to report and meet these covenants on a quarterly basis.

These covenant levels have been established based on the figures in the business plan, which is prepared based on DK GAAP and not IFRS. Accordingly, the financial figures used for the covenants are based on DK GAAP.
Due to the impact of COVID-19 on the group's financial performance, the covenants requirements have been waived by the bank syndicate during 2020-2021 . Below are the financial covenant requirements for 2020-2021 that were established when the loans were established but subsequently have been waived for both 2020 and 2021.

Net debt to EBITDA

2020				**2021**			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
7.25x	6.75x	6.25x	5.75x	5.75x	5.75x	5.75x	5.46x

EBITDA/finance charges

2020				**2021**			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2.58x	2.84x	3.14x	3.47x	3.8x	4,01x	4,21x	4.19x

Note 20 Financial risk management

The group’s principal financial liabilities comprises borrwings, subordinated loans, lease liabilities and trade and other payables. The main purpose of these financial liabilities is to finance the group’s operations. The group’s principal financial assets include trade receivables, and cash and cash equivalents.

The group is exposed to market risk (interest rate and foreign currency), credit risk and liquidity risk. The group's management oversees the management of these risks on an ongoing basis and responds to those risks as appropriate. The Group does not take om any speculative positions.

Interest rate risk

The group is exposed to interest risk arising from floating rate loans. The interest rate risk is economically partially hedged through interest rate swaps under which the Group receives a floating interest rate and pays a fixed interest rate. They are not designated as qualifying hedges, and consequently, fair value changes affect the income statement. An increase in Cibor will result in a gain and vice versa Refer to note 20 for an overview of the outstanding interest rate swaps.

The Cibor base rate in the loans has a 0% floor. As of 31 December 2021 and 2020 respectively, the applicable Cibor rate was negative. Consequently, a decrease in the Cibor rate will not reduce interest expense but will affect fair value of the interest rate swaps.

A reasonably possible change in the 3 months Cibor rate would have the following impact in profit/loss before tax determined on an annual basis:

In thousands DKK	**2021**	**2020**
1.0% increase (2020: 0.5% increase)	5.485	6.955
0.25% decrease	- 3.608	- 5.211

The amounts are determined based on the loans and swaps outstanding as of the respective balance sheet dates.

When assessing what is a reasonably possible change in interest rates, Management has considered the increased interest rate volatility throughout 2021 and increased the change from +0.5% to 1.0%. When assessing a reasonably possible decrease, Management has taking into account the fact tat the rates were negative as of 31 December 2021 and 2020 respectively.

Foreign currency risk

The Foreign currency risk is the risk that the fair value of future cash flows of a balance sheet exposure will fluctuate because of changes in foreign exchange rates.

The indivdual Group entities generate their revenue and incur expenses mainly in the local currency which is their functional currency. Therfore, the operating activities do no give rise to foreign curency risk. The group is exposed to foreign currency risk on intercompany balances, and arises primarily from balances in USD, GBP, SEK and NOK.

The following table demonstrates the sensitivity to a reasonably possible change in foreign exchange rates. based on the exposure as of 31 December. With all other variables held constant, the group's profit is affected as follows:

	Impact on post tax profit	
In thousands DKK	2021	2020
DKK/GBP exchange rate - increase/decrease 10%	19,049 / -19,049	19,312 / -19,312
DKK/NOK exchange rate - Increase/decrease 10%	14,842 / -14,843	12,608 / -12,608
DKK/USD exchange rate - increase/decrease 10%	12,396 / -12,396	5,241 / -5,241
DKK/SEK exchange rate - increase/decrease 10%	6,028 / -6,028	4,062 / -4,062
SEK/USD exchange rate - increase/decrease 10%	11,304 / -11,304	11,315 / -11,315
NOK/USD exchange rate - increase/decrease 10%	4,500 / -4,500	4,500 / -4,500

Note 20 Financial risk management

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit card sales.

Customers of the Group generally pay cash or prepay for goods. The credit risk that arises from credit card sales exposes the Group to the respective credit card issuers. Credit cards issuers have a high credit rating, and the amounts outstanding are not material compared to the Group's activity level. Therefore, the risk is considered immaterial.

The most significant counterparty risk is related to deposits with banks and financial institutions, as the groups cash balance at 31 December 2021 amounts to 258.247 TDKK (2020: 68.156 TDKK). To mitigate this risk, the group only enters into money market deposits with financial counterparties processing a satisfactory long-term credit rating from an internationally recognised agency (credit rating of minimum A-). The carrying amounts represents the maximum credit exposure.

Liquidity risk

Maturities of financial liabilities

The amounts disclosed in the following table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	0-1 years	1-2 years	2-5 years	More than 5 years	Total cash flows	Carrying amount
At 31 December 2021						
Trade payables	196.605	-	-	-	**196.605**	192.578
Borrowings	23.383	947.340	78.750	-	**1.049.473**	967.817
Lease liabilities	275.875	276.910	765.709	856.429	**2.174.923**	1.548.822
Subordinated loan capital	-	142.589	-	-	**142.589**	121.253
Derivative financial instruments	3.361	5.438	-	-	**8.799**	8.799
	499.224	**1.372.277**	**844.459**	**856.429**	**3.572.389**	**2.839.269**
At 31 December 2020						
Trade payables	202.915	-	-	-	**202.915**	202.915
Borrowings	23.383	23.383	1.036.100	-	**1.082.866**	940.659
Lease liabilities	247.931	270.485	758.459	922.912	**2.199.787**	1.575.279
Subordinated loan capital	-	142.589	-	-	**142.589**	115.197
Derivative financial instruments	7.048	9.490	-	-	**16.538**	16.538
	481.277	**445.947**	**1.794.559**	**922.912**	**3.644.695**	**2.850.588**

The group 's syndicated loans except for 75 MDKK and the subordinated loan fall due in 2023. Refer to note 3 for a discussion of Management's assessment of the refinancing proces.

Contents of the notes to the consolidated financial statements

Note 20 Financial risk management

The group holds the following financial instruments:

In thousands DKK	2021	2020
Financial assets		
Financial assets at amortised cost		
Trade receivables	25.781	12.888
Cash and cash equivalents	258.247	68.156
Other receivables	10.115	983
	294.143	**82.027**
Financial liabilities		
Liabilities at amortised cost		
Trade payables	189.134	194.311
Borrowings	967.817	940.659
Lease liabilities	1.548.822	1.575.279
Subordinate loan capital	121.253	115.197
	2.827.026	**2.825.446**
Liabilities at fair value through profit or loss		
Derivative financial instruments	8.799	16.538
	8.799	**16.538**

For financial assets and liabilities of short-term nature, such as trade receivables and trade payables, the carrying amount approximates fair value.

Fair value of borrowings is determined as the present value of the contractual cash flows discounted at a risk free rate + a market credit spread for a credit rating determined based on a synthetic rating of the Group. Fair value amounts to 967.817 TDKK (31.12.2020: 940.659 TDKK). For the subordinated loan, the same methodology has been applied, however, including an additional margin to reflect the subordination. Fair value amounts to 125.076 TDKK (31.12.2020: 115.197 TDKK). The fair values are considered level 3 measurements in the fair value measurement hierarchy.

Refer to note 21 for more information about derivative instruments.

Note 21 Derivative financial instruments

As of 31 December 2021, the Group had entered into the below interest rate swaps for the purpose of partially hedging interest rate risk on its loan portfolio.

Principal	Start date	Maturity date
450 MDKK	31 December 2019	30 June 2022
135 MDKK	31 December 2019	30 June 2022
420 MDKK	30 June 2022	31 July 2023

The swaps were on inception designated as cash flow hedges of the interest rate. The hedges were considered ineffective as of 1 January 2019, thus, hedge accounting was discontinued prospectively. The cumulative loss deferred through equity is presented as a separate reserve within equity and recycled through the income statement within financial items over the remaining term of the loans. A loss of 4,582 TDKK was recycled in 2021 (2020: 4,790).

Fair value of the interest rate swaps amounts to -8,799 TDKK as of 31 December 2021 (2020: - 16,538 TDKK). Fair value is determined as the present value of future payments, based on observable interest rate curves (level 2 in the fair value measurement hierarchy). Interrest rate swaps are recognised as other payables.

Note 22 Related party transactions

Joe & The Juice Holding A/S is controlled by Valedo Partners Fund II AB, which is also the ultimate controlling party. General Atlantic exercises significant influence through its shareholding.

Valedo, General Atlantic and Key Management memebers participated in capital increases in 2021 and 2020 as follows:

	2021			2020		
	Number of shares		Subscription price	Number of shares		Subscription price
	A-shares	B-shares	TDKK	A-shares	B-shares	TDKK
Valedo Partners	59.790.065	139.510.102	41.335	142.469.050	332.428.204	72.897
General Atlantic JTJ B.V.	61.814.777	144.234.425	42.735	148.873.135	347.371.091	76.174
Key Mangement	5.147.361	12.010.503	3.558	18.991.013	44.312.418	8.105

Remuneration and share-based paymentto key management personnel are disclosed in note 5 "Staff expenses" and note 6 "Share-based payment".

No other transactions took place during the year with key management personnel, major shareholders or other related parties.

There are no outstanding balances at the end of the reporting period in relation to transactions with related parties.

Contents of the notes to the consolidated financial statements

Note 23 Fee to auditors appointed at the general meeting

In thousands DKK	**2021**	**2020**
Deloitte:		
Audit fee	11.272	1.130
Other assurance engagements	29	150
Tax advisory services	3.074	760
Other services	149	800
	14.524	**2.840**

In 2021 JOE & THE JUICE has first-time adopted IFRS and hence the audit requirement has extended. Furthermore, JOE & THE JUICE has agreed with Deloitte to extend the audit as a preperation for a potential IPO in the coming years. Due to the above, Audit fees has increased significantly in 2021 compared to 2020.

Contents of the notes to the consolidated financial statements

Note 24 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Note 25 Security, commitments and contingent liabilities

Charges and security

The following assets have been placed as security with bank and credit institutions:
Shares in the companies Joe & The Juice Holding A/S, JTJ Heartbeat A/S, Joe & The Juice A/S, Joe & The Juice US Holdings Inc., Joe & The Juice New York LLC, Joe & The Juice SFO LLC, Joe & The Juice Bleichenhof GmbH, Joe & The Juice Norge AS, Joe & The Juice NG AB, Joe and The Juice UK Ltd., Joe & The Juice Sydney Pty Ltd., Joe & The Juice Nice SARL, Joe & The Juice Netherlands and Joe & The Juice (Switzerland) AG with a booked value of DKK 10.7 million at 31 December 2021 (2020: DKK 10,3 million), have been provided as security under certain circumstances for all accounts with Svenska Enskilda Banken.

In relation to the rental obligations, the Parent Company has as security for the landlords, issued bank guarantees through SEB of total DKK 139 million (2020: DKK 126 million) on behalf of subsidiaries.

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Contents of the notes to the consolidated financial statements

Note 26 Cash flow specifications

In thousands DKK	**2021**	**2020**
Adjustments		
Financial income	-53.116	-6.099
Financial expenses	208.814	257.696
Depreciation, amortisation and impairment losses including losses and gains on sales	321.824	462.071
Income tax	26.931	9.954
Share-based payment	-446	3.765
Other adjustments	3.238	10.301
	507.245	**737.688**
Changes in net working capital		
Decrease/(increase) in deposits	-479	2.498
Decrease/(increase) in inventories	-2.191	184
Decrease/(increase) in receivables	-32.501	31.593
Increase/(decrease) in provisions	-6.728	34.133
Increase/(decrease) in trade payables, etc	43.900	-49.186
	2.001	**19.222**

Contents of the notes to the consolidated financial statements

Note 27 Interests in other entities

The group's principal subsidiaries at year end are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business / country of incorporation	Ownership interests held by the group 2021	2020	As at 1 January 2020
JTJ HEARTBEAT A/S	Denmark	100%	100%	100%
JOE & THE JUICE A/S	Denmark	100%	100%	100%
JOE & THE JUICE AG	Switzerland	100%	100%	100%
JOE & THE JUICE NICE SARL	France	100%	100%	100%
JOE & THE JUICE UK Ltd	England	100%	100%	100%
JOE & THE JUICE BLEICHENHOF GmbH	Germany	100%	100%	100%
JOE & THE JUICE Finland Oy	Finland	100%	100%	100%
JOE & THE JUICE Netherlands B.V.	Netherlands	100%	100%	100%
JOE & THE JUICE Belgium NV	Belgium	100%	100%	100%
JOE & THE JUICE Norge AS	Norway	100%	100%	100%
JOE & THE JUICE Ng AB	Sweden	100%	100%	100%
JOE & THE JUICE Sydney Pty Limited	Australia	100%	100%	100%
JOE & THE JUICE US HOLDING INC	USA	100%	100%	100%
JOE & THE JUICE LA LLC	USA	100%	100%	100%
JOE & THE JUICE MIAMI LLC	USA	100%	100%	100%
JOE & THE JUICE SFO LLC	USA	100%	100%	100%
JOE & THE JUICE 1165 Broadway LLC	USA	100%	100%	100%
JOE & THE JUICE WASHINGTON LLC	USA	100%	100%	100%
JOE & THE JUICE NEW YORK LLC	USA	100%	100%	100%
JOE & THE JUICE WTC LLC	USA	100%	100%	100%
JJ-PCS MSP VENTURE LLC	USA	83%	83%	83%
JOE & THE JUICE ILLINOIS LLC	USA	100%	100%	100%
JOE & THE JUICE PITTSBURGH LLC	USA	100%	100%	100%
JOE & THE JUICE VANCOUVER AIRPORT LIMITED	Canada	83%	83%	100%
NFB Asia Pte. Ltd.	Singapore	100%	100%	100%
JOE & THE JUICE Shanghai WFOE	China	100%	100%	100%
NFB Asia (Hong Kong) Pte. Ltd.	Hong Kong	100%	100%	100%

Note 28 First time adoption of IFRS and restatement of previously financial statements

These consolidated financial statements for the year ended 31 December 2021, are the first financial statements prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2020, the Group prepared its consolidated financial statements in accordance with The Danish Financial Statements Act ('Danish GAAP').
The 2020 financial statements prepared in accordance with the Danish GAAP have been restated for the correction of certain errors mainly related to the accounting for leases in the consolidated income statement (loss), consolidated statement of financial position in accordance with the requirements in IAS 8.

In accordance with IFRS 1, the Group has prepared financial statements that comply with IFRS applicable as at 31 Decmeber 2021, together with the comparative period information for the year ended 31 December 2020.

In preparing these financial statements, the group's opening statement of financial position was prepared as at 1 January 2020 (date of transition).

The disclosures required by IFRS 1 First-time Adoption of IFRS explaining the adjustments made by the group in restating Danish GAAP financial statements are provided below. These comprise a consolidated balance sheet as of 1 January 2020 and 31 December 2020 respectively and a consolidatated income statement for 2020. Further, the effect of transition to IFRS, including changes in accounting policies, exemptions applied and reclassifications. Finally, correction of prior year errors is explained.

Consolidated balance sheet as at 1 January 2020 *In thousands DKK*	**DK GAAP as reported**	**Modification loss financial liabilities**	**Balance sheet Reclassificat ions**	**Correction of leases**	**IFRS**
Assets					
Non-current assets					
Property, plant and equipment	469.134	-	-	- 63.758	405.376
Right-of-use assets	1.401.349	-	45.476	507.314	1.954.139
Goodwill	181.235	-	-	-	181.235
Other intangible assets	72.418	-	- 45.476	-	26.942
Deferred tax assets	-	-	41.438	-	41.438
Deposits	9.535	-	-	-	9.535
Total non-current assets	**2.133.671**	**-**	**41.438**	**443.556**	**2.618.665**
Current assets					
Inventories	17.527	-	-	-	17.527
Other receivables	8.903	-	-	-	8.903
Trade receivables	39.343	-	-	-	39.343
Tax receivables	405	-	-	-	405
Deferred tax assets	41.438	-	- 41.438	-	-
Prepayments	13.898	-	-	- 13.571	327
Cash and cash equivalents	50.357	-	-	-	50.357
Total current assets	**171.871**	**-**	**- 41.438**	**- 13.571**	**116.862**
Total assets	**2.305.542**	**-**	**-**	**429.985**	**2.735.527**

Contents of the notes to the consolidated financial statements

Note 28 First time adoption of IFRS and restatement of previously financial statements

Consolidated balance sheet as at 1 January 2020 *In thousands DKK*	DK GAAP as reported	Modification loss financial liabilities	Balance sheet Reclassifications	Correction of leases	IFRS
Equity					
Share capital	37.063	-	-	-	37.063
Share premium	-	-	551.511	-	551.511
Reserve for treasury shares	-	-	- 56	-	- 56
Foreign currency translation reserve	-	-	-	-	-
Hedging reserve	- 13.434	-	-	-	- 13.434
Accumulated loss	- 574.782	- 7.179	- 551.455	-	- 1.133.416
Total deficiency	**- 551.153**	**- 7.179**	**-**	**-**	**- 558.332**
Liabilities					
Non-current liabilities					
Provisions	33.357	-	- 1.536	-	31.821
Subordinate loan capital	105.277	-	-	-	105.277
Deferred tax liabilities					-
Lease liabilities	1.451.975	-	-	272.221	1.724.196
Borrowings	831.796	7.179	-	-	838.975
Trade payables	8.420	-	- 8.420	-	-
Other payables	-	-	8.420	-	8.420
Total non-current liabilities	**2.430.825**	**7.179**	**- 1.536**	**272.221**	**2.708.689**
Current liabilities					
Provisions	-	-	1.536	-	1.536
Lease liabilities	29.291	-	-	157.764	187.055
Borrowings	73.906	-	-	-	73.906
Current tax liabilities	187	-	- 187	-	-
Trade payables	245.100	-	-	-	245.100
Other payables	76.251	-	187	-	76.438
Deferred income	1.135	-	-	-	1.135
Total current liabilities	**425.870**	**-**	**1.536**	**157.764**	**585.170**
Total liabilities	**2.856.695**	**7.179**	**-**	**429.985**	**3.293.859**
Total liabilities and deficiency	**2.305.542**	**-**	**-**	**429.985**	**2.735.527**

Contents of the notes to the consolidated financial statements

Note 28 First time adoption of IFRS and restatement of previously financial statements

Consolidated income statement (loss) for the year ended 31 December 2020 *In thousands DKK*	**DK GAAP as reported**	**Goodwill and Share-based payments**	**modfication loss financial liabilities**	**Income statement Reclassificat ions**	**Correction of leases**	**Other errors**	**IFRS**
Revenue	852.962	-	-	-	-	-18.458	834.504
Work on own account recognised in assets	3.996	-	-	-3.996	-	-	-
Other operating income	43.153	-	-	-42.192	-	-961	-
Expenses for raw materials and consumables	-170.514	-	-	-	-	-4.782	-175.296
Gross profit	729.597						
Store operating costs	-	-	-	-48.409	-12.315	-	-60.724
Other external expenses	-178.260	-	-	109.729	48.203	20.328	-
General & administration costs	-	-	-	-61.320	-45.838	-	-107.158
Staff expenses	-321.595	-3.765	-	3.996	-	-9.354	-330.718
Other operating income	-	-	-	42.192	46.652	-	88.844
EBITDA	**229.742**	**-3.765**	**-**	**-**	**36.702**	**-13.227**	**249.452**
Depreciation etc.	-463.574	14.122	-	-	-26.302	13.683	-462.071
EBIT	**-233.832**	**10.357**	**-**	**-**	**10.400**	**456**	**-212.619**
Financial income	6.099	-	-	-	-	-	6.099
Financial expenses	-246.965	-	7.179	-	-17.454	-456	-257.696
EBT	**-474.698**	**10.357**	**7.179**	**-**	**-7.054**	**-**	**-464.216**
Tax	-9.954	-	-	-	-	-	-9.954
Net loss for the year	**-484.652**	**10.357**	**7.179**	**-**	**-7.054**	**-**	**-474.170**

Contents of the notes to the consolidated financial statements

Note 28 First time adoption of IFRS and restatement of previously financial statements

The group has not presented a statement of other comprehensive income under Danish GAAP.
The statement of comprehensive income can be reconciled to previously reported amounts as follows:

In thousands DKK	**2020**
Loss for the year	- 474.170
Other comprehensive income	
Items that may be reclassified to profit or loss	
Exchange differences on translation of foreign operations	28.424
Recycling of discontinued cash flow hedges, included in financial expenses	4.790
Other comprehensive income for the year, net of tax	**33.214**
Total comprehensive income for the year	**- 440.956**

Consolidated balance sheet as at 31 December 2020 *In thousands DKK*	**DK GAAP as reported**	**Goodwill**	**Balance sheet Reclassificat ions**	**Correction of leases**	**Other errors**	**IFRS**
Assets						
Non-current assets						
Goodwill	167.883	14.122			- 770	181.235
Other intangible assets	61.185		- 30.789		1	30.397
Property, plant and equipment	304.659	-	-	-	-	304.659
Right-of-use assets	1.400.577	-	30.789	88.420	-	1.519.786
Deferred tax assets	-	-	32.675	-	-	32.675
Deposits	7.037	-	-	-	-	7.037
Total non-current assets	**1.941.341**	**14.122**	**32.675**	**88.420**	**- 769**	**2.075.789**
Current assets						
Inventories	17.343	-	-	-	-	17.343
Trade receivables	12.888	-	-	-	-	12.888
Tax receivables	2.711	-	-	-	-	2.711
Deferred tax assets	32.675	-	- 32.675	-	-	-
Prepayments	1.744	-	-	-	1.365	3.109
Other receivables	790	-	-	-	193	983
Cash and cash equivalents	81.690	-	-	-	- 13.534	68.156
Total current assets	**149.841**	**-**	**- 32.675**	**-**	**- 11.976**	**105.190**
Total assets	**2.091.182**	**14.122**	**-**	**88.420**	**- 12.745**	**2.180.979**

Contents of the notes to the consolidated financial statements

Note 28 First time adoption of IFRS and restatement of previously financial statements

Consolidated balance sheet as at 31 December 2020 *In thousands DKK*	DK GAAP as reported	Goodwill	Balance sheet Reclassifications	Correction of leases	Other errors	IFRS
Equity						
Share capital	50.092	-	-	-	-	50.092
Share premium	-	-	736.743	-	-	736.743
Other statutory reserve	37.058	-	-37.058	-	-	-
Reserve for treasure shares	-	-	-32	-	-	-32
Foreign currency translation reserve	-	-	44.933	-16.509	-	28.424
Hedging reserve	-	-	-8.644	-	-	-8.644
Accumulated loss	-871.703	14.122	-735.942	-5.566	-2.257	-1.601.346
Total deficiency	**-784.553**	**14.122**	**-**	**-22.075**	**-2.257**	**-794.763**
Liabilities						
Non-current liabilities						
Provisions	65.991	-	-8.176	-	1.499	59.314
Subordinate loan capital	115.197	-	-	-	-	115.197
Deferred tax liabilities	-	-	-	-	-	-
Lease liabilities	1.224.861	-	-	199.890	-	1.424.751
Borrowings	940.777	-	-	-	-118	940.659
Trade payables	3.007	-	-3.007	-	-	-
Other payables	5.867	-	3.007	-	-270	8.604
Total non-current liabilities	**2.355.700**	**-**	**-8.176**	**199.890**	**1.111**	**2.548.525**
Current liabilities						
Provisions	-	-	8.176	-	-	8.176
Lease liabilities	251.482	-	-	-100.954	-	150.528
Borrowings	13.419	-	-	-	-13.419	-
Current tax liabilities	-	-	-	-	-	-
Trade payables	166.023	-	-	27.851	437	194.311
Other payables	81.649	-	-	-16.292	1.314	66.671
Deferred income	7.460	-	-	-	71	7.531
Total current liabilities	**520.033**	**-**	**8.176**	**-89.395**	**-11.597**	**427.217**
Total liabilities	**2.875.733**	**-**	**-**	**110.495**	**-10.486**	**2.975.742**
Total liabilities and deficiency	**2.091.180**	**14.122**	**-**	**88.420**	**-12.743**	**2.180.979**

Contents of the notes to the consolidated financial statements

Note 28 First time adoption of IFRS and restatement of previously financial statements

A reconciliation of the cash flow statement is provided below:

Changes in the cash flow statement 2020

In thousands DKK	Cash and cash equivalents beginning of period	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents end of period
According to the Danish Financial Statements act	50.357	41.323	- 64.917	54.927	81.690
Correction of cash and cash equivalents	-	-	-		- 13.534
IFRS adjustments including adjustments to leases	-	- 940	287	- 12.881	
IFRS	**50.357**	**40.383**	**- 64.630**	**42.046**	**68.156**

Effect of transition to IFRS

Share-based payments

Under Danish GAAP, the group did not recognize any expenses related to the warrant programs granted Managment members and key employees, as compensation expense attributable to equity-settled programs is not required to be recognized as an expense under Danish GAAP. IFRS requires the fair value of the warrants granted to be recognized as compensation expense over the vesting period. The fair value was determined using A Monte Carlo model based on a Geometric Brownian Motion and risk neutral measures has been applied as the option-pricing model for valuing the warrants. . In transitioning to IFRS, compensation expenses of DKK 3,765 thousand has been recognized in profit or loss for the year ended 31 December 2020. Corresponding entries have been made directly to equity.

Goodwill

According to Danish GAAP, goodwill must be amortised. Consequently, the amortisation of goodwill has been reversed in 2020. The Group has applied the exemption from restating business combinations occuring before the date of transition to IFRS. Consequently, the carrying amount of goodwill as of 1 January 2020 has been used as deemed cost.

Loan modifications

Under Danish GAAP as applied by the Group, on loan modifications which have not resulted in substantially different terms, the effective interest rate has been reset to reflect the amended cash flows. Under IFRS, the carrying amount of the liability is remasured to the present value of the amended cash flows, discounted at the original effective interest rate. The change has resulted in a remeasurement loss in 2019 of which 7.2 MDKK had not yet been paid. Thus an interest expense of 7.2 MDKK recognised under Danish GAAP in 2020 has been reversed due to the fact that the additional interest paid has been included in the remeasurement loss.

Other exemptions applied

Cumulative currency translation differences for the parent company and for foreign operations with a functional currency different from DKK are deemed to be zero as at 1 January 2020.

Note 28 First time adoption of IFRS and restatement of previously financial statements

Reclassifications to the balance sheet

Under IFRS, payment to a former tenant to obtain the right to enter into a lease is considered direct initial costs of entering into a lease and are included in the carrying amount of the right-of-use asset.

Under Danish GAAP, such payments were presented as intangible assets.

Under IFRS, deferred tax assets are presented as non current assets. Under Danish GAAP, they are presented as current assets.

Under IFRS, provisions are presented as current or non-current liabilities depending on their expexted settlement date. Under Danish GAAP, provisions are presented as a separate category of liabilities.

Under IFRS, certain reserves such as foreign currency translation reserve and cash flow hedging reserve are presented as separate reserves. Under Danish GAAP, they were presented as “other statutory reserves”.

Reclassifications to the income statement (loss)

Classification of expenses in the income statement (loss)

Under Danish GAAP, if expenses are presented according to their nature, a prescribed format is required. Under IFRS, no specific format is required. Management has elected to present expenses according to their nature with different line items than under Danish GAAP.

Correction of errors

Correction of leases

Under Danish GAAP, the group adopted the recognition and measurement guidance of IFRS 16 as of 1 January 2020 in the statutory financial statements for 2020 by applying the incremental borrowing rate as of this date.

As part of adoption of IFRS, Management has identified that not all lease contracts within the scope of IFRS 16 have been included in the right of use asset and lease liability as of 1 January 2020. Further, certain inaccuracies in respect of applicable terms of individual leases have been identified. This has resulted in recognition of additional right of use asset and lease liabilities in the amount of 430 MDKK. The implementation of IFRS 16 has also resulted in certain reclassifications to the cash flwo statement for 2020.

Other errors

In the previously issued financial statements, certain revenue transactions that included delivery of juice and/or food were presented on a gross basis. As it was determined that the Group was deemed to be an agent in these transactions, revenues should have been presented on a net basis, and as a result the group has recorded a reduction of revenues for 18.5 MDKK for the year ended 31 December 2020.

In the statutory financial statements for 2020, draw down on bank deposits in the amount of 13.5 MDKK have by error been classified as a draw down on a bank overdraft as of 31 December 2020. This has also affected the cash flow statement for 2020.

In accordance with the presentation requirements under IAS 1, as well as other applicable recognition and measurement principles codified in other IFRS, the Group has made certain other adjustments and reclassifications which affect the consolidate statement of comprehensive loss and statement of financial position. Individually, such other restatements did not have a material impact on our consolidated financial statements.

Parent company

Income statement (loss), Parent
for the year ended 31 December 2021

In thousands DKK	Notes	2021	2020
Other operating income		3.847	1.781
Gross profit/loss		**3.847**	**1.781**
Other external expenses		- 4.619	- 2.198
Staff expenses	2	- 6.171	- 5.251
Earnings before amortisation and depreciation (EBITDA)		**- 6.943**	**- 5.668**
Depreciation, impairment and amortisation		-	-
Loss before financial income and expenses (EBIT)		**- 6.943**	**- 5.668**
Loss from investement in subsidiaries	3	- 290.000	- 620.549
Financial income	4	964	18.899
Financial expenses	5	- 130	- 74
Loss before income tax		**- 296.109**	**- 607.392**
Tax on loss for year	6	-	- 2.895
Loss for the year		**- 296.109**	**- 610.287**

Balance sheet (Parent)
for the year ended 31 December 2021

Assets

In thousands DKK	Notes	2021	2020
Investments in subsidiaries	7	-	-
Receivables from group entities		16.465	16.641
Fixed asset investments		**16.465**	**16.641**
Fixed assets		**16.465**	**16.641**
Cash at bank and in hand		**1.815**	**705**
Current assets		**1.815**	**705**
Assets		**18.281**	**17.346**

Balance sheet (Parent)

for the year ended 31 December 2021

Liabilities and equity

In thousands DKK	Notes	2021	2020
Share capital	8	64.557	50.092
Retained earnings		- 50.762	- 39.836
Equity		**13.795**	**10.256**
Other payables		-	270
Long-term liabilities	9	**-**	**270**
Trade payables		379	-
Payables to group enterprises relating to corporation tax		-	2.895
Payables to group enterprises		1.749	
Other payables		2.359	3.925
Short-term liabilities		**4.486**	**6.820**
Liabilities		**4.486**	**7.090**
Liabilities and equity		**18.281**	**17.346**

Statement of changes in equity (Parent)
for the year ended 31 December 2021

In thousands DKK	Share capital	Retained earnings	Total
Equity at 1 January 2021	**50.092**	**-39.836**	**10.256**
Cash capital increase	14.465	285.535	300.000
Capital increase costs	-	-1.107	-1.107
Sale of treasury shares	-	730	730
Loss for the year	-	-296.109	-296.109
Equity at 31 December 2021	**64.557**	**-50.787**	**13.770**

Contents of the notes to the financial statements

Contents of the notes to the financial statements (Parent)

Note 1 Summary of significant accounting policies

Basis of preparation

The financial statements of the parent company have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium enterprises of reporting class C.

The financial statements are presented in Danish Kroner (DKK) and have been rounded to the nearest thousand except when otherwise stated.

Recognition and measurement

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

Value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

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

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

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

Translation policies

Danish Kroner (DKK) is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transcation. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and financial expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and financial expenses in the income statement.

Income statement

Other operating income

Other operating income comprise items of a secondary nature to the main activities of the Company, including compensation for government grants etc.

Contents of the notes to the financial statements (Parent)

Note 1 Summary of significant accounting policies

Other external expenses
Other external expenses comprise of external administrative expenses.

Staff expenses
Staff expenses comprise wages and salaries as well as payroll related expenses.

Loss from investments in subsidiaries
The item "Loss from investments in subsidiaries" in the income statement includes the proportionate share of the loss for the year.

Financial income and expenses
Financial income and expenses are recognised in the income statement at the amounts relating to the finacial year.

Tax on profit/loss for the year
Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit/loss for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Investments in subsidiaries
Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Receivables from group enterprises
Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad and doubtful debts.

Financial debt
Financial debts are measured at amortised cost, substantially corresponding to nominal value.

Cash flow statement
No cash flow statement has been prepared for the parent company, as the parent company's cash flows are included in the cash flow statement for the group.

Contents of the notes to the financial statements (Parent)

Note 2 Staff expenses

In thousands DKK	**2021**	**2020**
Wages and salaries	6.164	5.245
Other social security costs	7	6
Total	**6.171**	**5.251**
Including remuneration to the Executive and Board of Directors of:		
Executive Board	4.384	1.958
Board of Directors	2.300	3.875
Total	**6.684**	**5.833**
Average number of employees	**5**	**4**

Remuneration to the Executive Board and Board of Directors are paid from both Joe & The Juice Holding A/S and Joe & The Juice UK Ltd.

Refer to Note 5 in the consolidated financial statements for more information about management remuneration. and refer to note 6, in the consolidated finanical statements, formore infomation about share based payments.

Note 3 Loss from investments in subsidiaries

In thousands DKK	**2021**	**2020**
Share of losses in subsidiaries	- 290.000	- 620.549
Total	**- 290.000**	**- 620.549**

Note 4 Financial income

In thousands DKK	**2021**	**2020**
Interest received from group enterprises	964	18.899
Total	**964**	**18.899**

Note 5 Financial expenses

In thousands DKK	**2021**	**2020**
Other financial expenses	- 4.129	- 68
Exchange adjustments, expenses	- 32	- 6
Total	**- 4.161**	**- 74**

Contents of the notes to the financial statements (Parent)

Note 6 Tax on loss for the year

In thousands DKK	2021	2020
Current tax for the year	-	2.895
Total	**-**	**2.895**

Note 7 Investments in subsidiaries

In thousands DKK	2021	2020
Cost at 1 January	945.143	324.594
Additions for the year	290.000	620.549
Cost at 31 december	**1.235.143**	**945.143**
Value adjustments at 1 January	- 945.143	- 324.594
Net profit/loss for the year	- 165.432	- 538.016
Other equity movements, net	- 8.830	- 217.094
Amortisation of goodwill	- 14.122	- 14.122
Reversal of negative result for the year	- 101.616	148.683
Value adjustments at 31 December	- 1.235.143	- 945.143
Carrying amount at 31 December	**-**	**-**
Remaining positive difference included in the above carrying amount at 31 December	152.990	167.883

The net asset value in the subsidiary JTJ Hearbeat A/S is negative. Until the net asset value is positive the company does not recognise income from the subsidiary in the income statement. The Company has in 2021 made a capital contribution of DKK 290 million to JTJ Heartbeat A/S, which has been recognised as additions for the year in "Investments in subsidiaries" and written down in the income statement through "Loss from investments in subsidiaries" due to negative net assets value in the subsidiaries as at 31 December 2021. Negative values relating to subsidiaries not recognised as at 31 December 2021 amount to DKK 586 million (2020 DKK 688 million) The remaining positive difference of DKK 153 million comprises goodwill (2020 DKK 168 million).

Refer to Note 27 "Interests in other entities" in the consolidated financial statements for a specification of the investments in subsidiaries.

Note 8 Share capital

Refer to Note 18 "Share capital" in the consolidated financial statements for an overview of the changes in share capital.

Note 9 Long-term liabilities

In thousands DKK	2021	2020
Other payables		
Between 1 and 5 years	-	270
Long-term part	-	270
Other short-term payables	2.359	3.925
	2.359	**4.195**

Contents of the notes to the financial statements (Parent)

Note 10 Contingent assets, liabilities and commitments

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Joe & The Juice Holding A/S act as administration company for the Danish joint taxation. The total amount of corporation tax payable by the Group amounts to TDKK 0. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Refer to note 25 in the consolidated financial statements for more information.

Note 11 Related parties

Refer to note 22 in the consolidated financial statements for more information abouut related parties.

Consolidated Financial Statements:
The seperate financial statements and the consolidated financial statements of Joe & The Juice Holding A/S are included in the ultimate controlling party's consolidated financial statements:

Name	Place of registered office
Valedo Partners Fund II AB	Stockholm, Sverige

Note 12 Events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.