



**LARS LARSEN**  
GROUP

ANNUAL REPORT 2020/21

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*“Together, we look forward to...”*



*“...continuing the positive development of Lars Larsen Group!”*

Jesper Lund, President and CEO  
Jacob Brunsborg, Chairman of the Board

# FY21 AT A GLANCE

## RECORD RESULTS DESPITE CHALLENGES

Welcome to the first ever annual report for Lars Larsen Group. On 1 February 2020, Lars Larsen Group saw the light of day; not as a legal group but defined as all the companies and activities owned by the Brunsborg family, descendants of JYSK founder Lars Larsen.

The activities within the Group are all operated in accordance with the family's fundamental values of Trademanship, Responsibility and Growth. In this publication, we have therefore taken these three fundamental values as our starting point.

The consequences of COVID-19 have been experienced worldwide with a great impact on the economy due to Governmental restrictions, temporarily lockdown of institutions, businesses, and activities.

It has been a volatile period where three things have been fundamentally important to our mindset – focus on our values, continuous agility, and long-term value creation.

A clear tailwind has been blowing in most of our sectors including investments. This, together with the strong business models and not least an extraordinary effort from all our colleagues, means that the Group has not been severely impacted by the effects of COVID-19 in the financial year.

For the second successive year, the financial result was record high. Revenue for 2020/21 grew by almost 10% compared to previous year reaching DKK 39,090 million. Divided into the Business Areas, revenue in JYSK increased by 7% and Lars Larsen Group Companies by 24%.

In 2020/21, profit before tax increased by 55% to DKK 6,450 million.

The substantial increase in profit before tax can be attributed to all three Business Areas, where profit in JYSK has increased from DKK 3,648 million to DKK 4,493 million, Group Companies from DKK 64 million to DKK 393 million and Investments from DKK 449 million to DKK 1,564 million.

Tax on profit for the year 2020/21 is DKK 1,308 million, which is equivalent to a tax rate of 20.3% against 22.8% last year.

Total investments in operations amounted to around DKK 2,500 million, and in addition new companies have been acquired, e.g. SOFACOMPANY as well as new investments such as Private Equity including development of Power-to-X technology.

The family's values are the core of how we conduct our business. We strive to act with integrity and maintain our reputation as a responsible corporate member of global society, contributing to the communities and people we work with while providing great offers to our customers all over the world.

In Lars Larsen Group, the number of jobs has increased by 2,000 reaching 37,000 in 2020/21, which supports our core family value of Growth.

The result and growth were achieved through the great efforts of every one of our colleagues in the Group. This year, it has been an extraordinary achievement due to the pandemic.

Thank you to everyone for their great efforts. Together, we look forward to continuing the positive development of Lars Larsen Group!

A handwritten signature in black ink, appearing to be 'Jacob Brunsborg'.

Jacob Brunsborg  
Chairman of the Board, Lars Larsen Group

A handwritten signature in black ink, appearing to be 'Jesper Lund'.

Jesper Lund  
President and CEO, Lars Larsen Group

# LARS LARSEN GROUP VALUES

**As a family-owned and value-driven company, it is crucial for us that our decisions are aligned with our values.**

Being a family-owned business is an important part of our identity, and the values of the group are at the heart of everything we do.

Lars Larsen Group is owned by the Brunsborg family, descendants of Lars Larsen who founded JYSK in 1979.

Therefore, the group operates in accordance with the family's fundamental values of tradesmanship, responsibility and growth.

## Board of Directors



From left: Jesper Aabenhus Rasmussen, Jacob Brunsborg, Chairman of the Board, Mette Brunsborg.



### Tradesmanship

*We value tradesmanship, which is about offering deals that benefit both parties, but also about setting ambitious goals and having the courage to pursue them.*



### Responsibility

*We take pride in being decent and respectful. We communicate openly and are honest about our products and business practices.*



### Growth

*We want to see the Lars Larsen Group flourish and grow, which is why we strive to be as competitive and profitable as we can be.*

## Executive Management Team



From left: Jesper Lund, President and CEO, Kathrine Pors Johnsen, Executive Vice President, General Counsel, Daniel Albæk, Executive Vice President, CIO, Carsten Iversen, Executive Vice President, CFO.

# WHAT WE DO

**Lars Larsen Group is an active owner of several companies as well as an investor within different areas.**

Since Lars Larsen founded JYSK in 1979, we have grown and today Lars Larsen Group comprises of several companies and investments.

However, we never forget that Lars Larsen Group is based on the success of JYSK, and JYSK continues to be our primary brand focus.

But even though JYSK is the largest company in the group, a number of siblings have been added throughout the years.

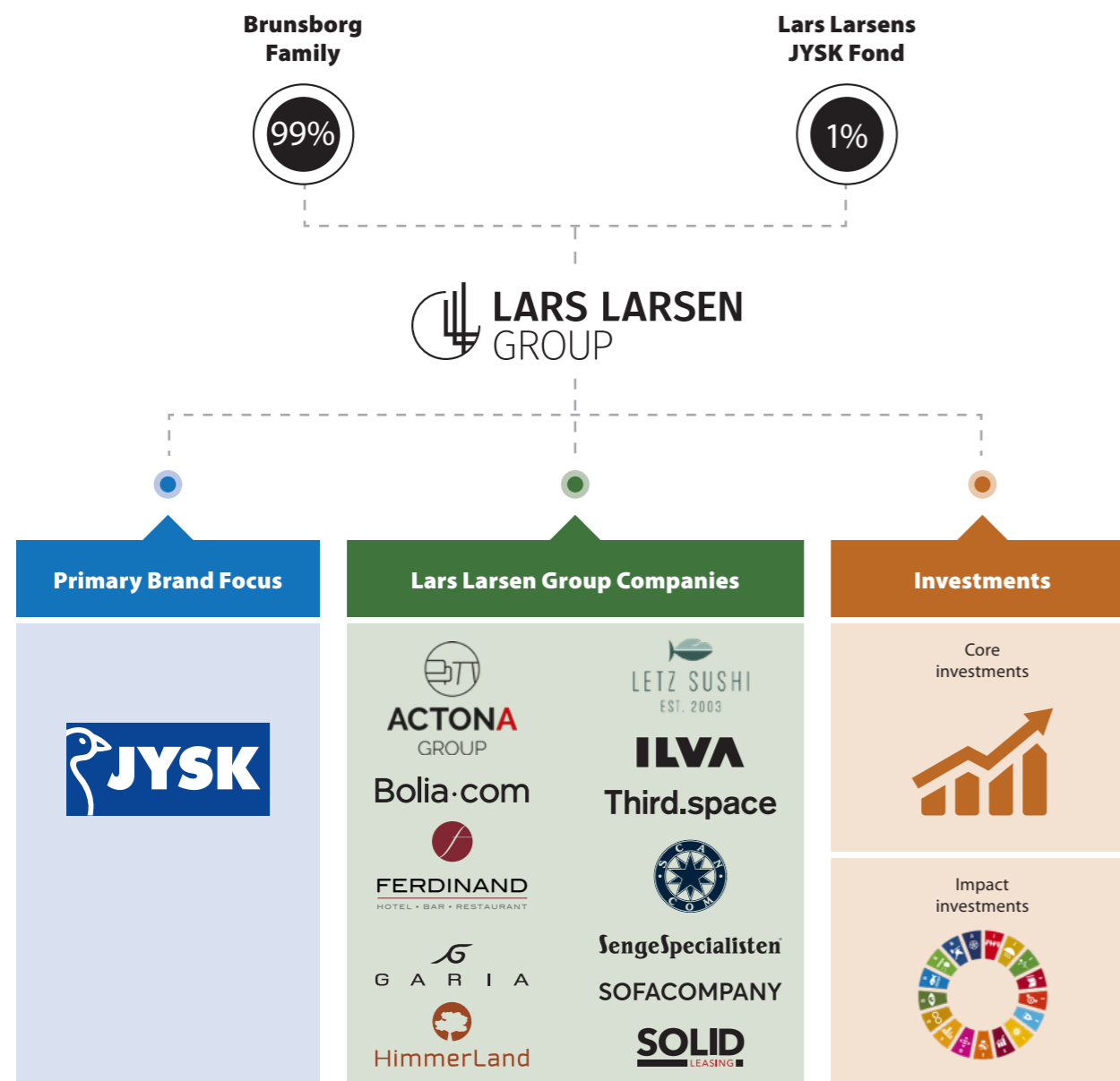
The majority of them operate within the area of home furnishing. Restaurants, production of electric cars, car leasing and companies within other business areas are also represented in Lars Larsen Group.

As a responsible and active owner, Lars Larsen Group provides funds for growth for the companies within the group and supports the companies in areas such as legal, tax and sustainability.

Besides our role as an active owner, Lars Larsen Group also invests in companies, funds, assets and stocks.

When acting as minority owner, we ensure that our values are aligned with the companies or funds we invest in, and we do not engage in investment opportunities that are not aligned with our policies regarding tax, sustainability etc.

Besides conventional investments, Lars Larsen Group engages in impact investments that aim at making a positive change to our society.



# FINANCIAL HIGHLIGHTS OF LARS LARSEN GROUP

(mDKK)	2020/21	2019/20	2018/19
<b>Income Statement</b>			
<b>Revenue</b>	<b>39,090</b>	<b>35,648</b>	<b>32,711</b>
Profit before financial items (EBIT)	4,882	3,768	3,256
Net financials	1,568	393	387
<b>Profit before tax</b>	<b>6,450</b>	<b>4,161</b>	<b>3,643</b>
Tax on profit for the year	-1,308	-947	-683
<b>Result for the year</b>	<b>5,142</b>	<b>3,214</b>	<b>2,960</b>
<b>Balance Sheet</b>			
Fixed assets	11,273	8,158	7,508
Inventories	9,580	8,152	8,489
Receivables	4,378	3,251	3,159
Cash at bank & securities	17,455	16,697	13,415
<b>Assets</b>	<b>42,686</b>	<b>36,258</b>	<b>32,571</b>
Equity	30,700	26,303	23,648
Interest bearing debt	5,013	4,262	4,383
Other liabilities	6,973	5,693	4,540
<b>Liabilities and equity</b>	<b>42,686</b>	<b>36,258</b>	<b>32,571</b>
<b>Cash Flow</b>			
Cash flows from operating activities	5,170	6,178	2,582
Cash flows from investing activities	-4,364	-1,717	-1,551
Cash flows from financing activities	-48	-1,179	257
<b>Changes in cash at bank &amp; securities</b>	<b>758</b>	<b>3,282</b>	<b>1,288</b>
<b>Employees</b>			
Headcount end of year	37,000	35,000	33,500
<b>Financial Ratios (in %)</b>			
Solvency ratio	71.9%	72.5%	72.6%
Return on equity	18.0%	12.9%	12.8%

# TIMELINE HIGHLIGHTS

# DKK 3.2 BILLION

With a turnover of DKK 35,6 billion and a profit after tax of DKK 3.2 billion, Lars Larsen Group sets new records in the financial year FY20. "We are pleased with the result, which is after a year with major impact from the corona pandemic. Therefore, it makes us even more pleased that the companies in Lars Larsen Group have generally seen a positive development," says President and CEO of Lars Larsen Group, Jesper Lund.

FINANCIAL YEAR  
2020-2021

01-2021



**SOFACOMPANY**

Lars Larsen Group acquires SOFACOMPANY from Procuritas, and the successful online retailer becomes part of our group. "I am looking forward to SOFACOMPANY becoming part of Lars Larsen Group. It is an exciting company that can add a lot to our business," says Chairman of the Board of SOFACOMPANY, Jan Bøgh.

10-2020



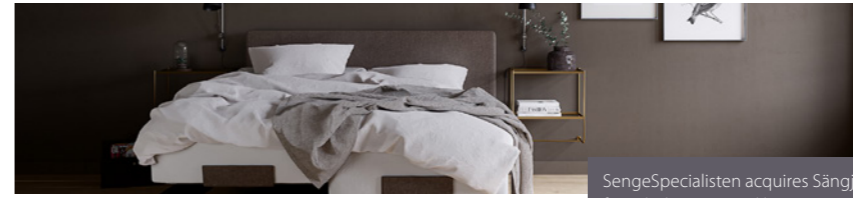
Lars Larsen Group announces its commitment of DKK 1 billion for investment in green energy through Copenhagen Infrastructure Partners. "It is part of our strategy to invest in green technologies," says President and CEO of Lars Larsen Group, Jesper Lund.

05-2021



Lars Larsen Group offers to buy 41% of the shares in the asset management company Formuepleje. The acquisition closed in November 2021.

06-2021



SengeSpecialisten acquires Sängjätten in Sweden. Sängjätten was founded in 1992 and has 20 stores across Sweden.

07-2021



Foto: Kai Mørk

CEO of ScanCom, Stig Maasbøl receives HRH Crown Prince Frederik International Business Award. ScanCom Vietnam receives the award for Green Solutions for the company's efforts regarding Corporate Social Responsibility in relation to environment, working conditions and material selection.

08-2021

FINANCIAL YEAR  
1979-2019



Tradesman Lars Larsen opens his first JYSK store together with his wife Kris.

1979

2004

Lars Larsen distributes 2.4 million copies of his autobiography in Denmark – one for every household.

2007

Lars Larsen Group invests in ScanCom International, a global leader in outdoor furniture.

2009



Lars Larsen is awarded the Cross of the Order of Dannebrog and the year after, he is granted the title of Purveyor of Her Majesty the Queen of Denmark. In 2017, he is elevated to Knight 1st Class of the Order of Dannebrog.

2011

Forbes Magazine estimates Lars Larsen's fortune at 3.6 billion dollars, earning him a place as number 304 on the Forbes 500 list of the wealthiest people in the world.

2013

Lars Larsen Group establishes Fonden Made in Denmark Golf, which has been hosting the golf tournament European Golf Tour in HimmerLand since 2014.

2019



Jesper Lund is appointed President and CEO of Lars Larsen Group and is together with the Chairman of the Board, Jacob Brunsborg responsible for the development of the group.



JYSK celebrates its 40th anniversary on 2 April. On 2 June, Lars Larsen steps down as Chairman of the Board after having led JYSK and Lars Larsen Group for more than 40 years. His son Jacob Brunsborg becomes his successor. Lars Larsen passes away on 19 August 2019.

2020



# Tradesmanship

***We value tradesmanship, which is about offering deals that benefit both parties, but also about setting ambitious goals and having the courage to pursue them.***

# TRADESMEN DURING CORONA

**Throughout the corona pandemic, Lars Larsen Group has focused on protecting employees and utilizing business opportunities.**

The corona pandemic has had massive consequences for companies and people around the world. Throughout the pandemic, the focus of Lars Larsen Group companies has been on protecting their employees while still being tradesmen.

“At the beginning of the pandemic, the owner family made it clear that this would not change our standpoint concerning the companies in Lars Larsen Group staying true to our core values. We will always be responsible towards our employees and that means protecting them as much as possible,” explains President and CEO of Lars Larsen Group, Jesper Lund.

#### **Different solutions**

This has meant a big difference in how each company dealt with corona and the imposed restrictions.

“While some companies were able to take advantage of the increased online spend and that people around Europe invested heavily in their homes, other companies were completely closed and not able to serve any customers. This was the case in

HimmerLand, where we chose to view it as an opportunity to invest in our facilities and train our employees to ensure an even better experience for our guests once we reopened,” says Jesper Lund.

#### **Good choice**

Having dealt with corona for almost two years, Jesper Lund notes that these two years have resulted in new records in regards to turnover as well as earnings in Lars Larsen Group.

“I am satisfied that we have been able to act in accordance with our values and protect our employees while growing and increasing our profit. It has certainly tested our business model as well as our values, and it is fair to say that we have acted in line with the old saying about never letting a good crisis go to waste. To the contrary, we have used it to make Lars Larsen Group even stronger,” says Jesper Lund.



# PEOPLE

The employees of Lars Larsen Group are crucial to our success. Meet some of the great employees of Lars Larsen Group and learn more about some of the tasks they work with every day.

## internal as well as external partners and stakeholders



**Caroline Lyck**  
Senior Legal Counsel  
Working for Lars Larsen Group since May 2021

"I am part of our legal team, and my main responsibility is in regards to M&A (mergers and acquisitions), when a company within Lars Larsen Group acquires a company or part of a company. When that happens, I work closely with our investment team and assist in all legal aspects of the transaction.

Furthermore, I specialise in corporate law and work with the legal aspects of corporate matters of the companies within Lars Larsen Group.

I was originally drawn to Lars Larsen Group because of the professional challenges, and I have been pleasantly surprised by the colleagues and great work environment."



**Stine Christensen**  
Group Sustainability Consultant  
Working for Lars Larsen Group since February 2021

"Among other things, I am responsible for the sustainability part of the annual reporting for Lars Larsen Group companies. Furthermore, I am responsible for keeping Lars Larsen Group updated on new regulations within the area of sustainability as well as educating and acting as a sparring partner for colleagues within the Group. I like the working culture where we are able to plan the majority of the work ourselves, and I am very impressed by how fast we have become a real team."



**Cathrine Bakke Ahlmann**  
Real Estate Investment Manager  
Working for Lars Larsen Group since August 2021

"I work with real estate investments both on a strategic and operational level. This includes which properties to buy and sell. I am involved throughout the entire process of the transaction in cooperation with internal as well as external partners and stakeholders. I see a huge potential in developing Lars Larsen Group real estate activities, and I am happy to be part of a family owned company on a journey of growth. That suits my personal values perfectly."

## compliance regarding taxes



**Nickolaj Gade-Johansen**  
Senior Tax Specialist  
Working for Lars Larsen Group since August 2021

"I work with compliance regarding taxes. That covers everything from tax returns to cases with disagreements regarding taxes. Furthermore, I assist our investment team in relation to possible acquisitions where our department is responsible for assessing matters related to taxes. I find that Lars Larsen Group is a very open organisation. We are happy to communicate about our work and our principles, and I like that a lot."



**Louise Jørgensen**  
Head of Family Office  
Working for Lars Larsen Group since August 2020

"As Head of Family Office, I am responsible for supporting the owner family with daily and specific tasks within administration, finance, meeting arrangements and much more. I am also responsible for the administration of the Lars Larsens JYSK Fond.

I am really happy to work for Lars Larsen Group and for the owner family in particular, and furthermore, I am glad that Lars Larsen Group is a family business - also in the sense that it is possible for me to have enough time for my own family and have a great work life balance."



**Eigil Mathiasen**  
Treasury Manager  
Working for Lars Larsen Group since October 1991

"Formerly, my tasks included gathering liquid funds from the companies within the group and invest them with a limited risk. I was also responsible for ensuring currency needs for all countries, especially the ones with distribution centers as they have a bigger cashflow. Now my job has expanded to participate in setting up systems to integrate our cash management flow, and I also have a big task of securing rent guarantees in regards to renting business properties.

Since Lars Larsen Group saw the light of day in February 2020, the way we invest has notably changed which I find very exciting and challenging. What has not changed though, is that I have always been happy working here."

## a family business

NOW MORE THAN  
**3,000**  
STORES WORLDWIDE

**136**  
NEW STORES  
IN ONLY **1** YEAR

**100**  
STORES IN  
**ROMANIA**

**150**  
STORES IN **SWEDEN**

**250**  
STORES IN **POLAND**

# IMPORTANT MILESTONES FOR JYSK

**Although JYSK ended up opening fewer stores than planned, the company reached a number of important milestones during the financial year.**

Growth is the DNA of JYSK and when comparing the number of JYSK stores worldwide from 31 August 2020 to 31 August 2021, an additional 136 stores had been added to the map.

This included important milestones, as JYSK opened store number 100 in Romania on 3 June, store number 150 in Sweden on 25 March and store number 250 in Poland on 25 August.

The most important opening took place in Rome on 12 February 2021 when JYSK opened store number 3,000 worldwide in the Da Vinci Village in Fiumicino near Rome, which is the biggest retail park in Italy.

However, at that time, it was not possible to celebrate the opening due to restrictions, and therefore the store "re-opened" on 18 May with a real party and several great offers for the Italian customers, who were greeted by Executive Vice President, Retail of JYSK, Mikael Nielsen.

"Expansion has always been the foundation of JYSK, and we are really happy that we have now reached more than 3,000 stores worldwide. That is a very important milestone, which we have been looking forward to celebrating with our Italian customers and colleagues, and I am really glad to be here although I would have liked to have been here in February as well," says Mikael Nielsen during the event.

# JYSK EXPANDS TO TURKEY

**In April 2023, JYSK will open the company's first stores in Turkey.**

After three years without new country openings, JYSK is once again ready to cross borders to welcome customers when JYSK says hello to Turkey in April 2023.

"On several occasions, we have said that there are no "easy" countries left to enter so achieving success in Turkey will require a lot of hard work from all JYSK employees. That said, it is also important to mention that Turkey is a country with 82 million people, and a country with great opportunities for JYSK if we find the right solutions," says President and CEO of JYSK, Jan Bøgh.

#### **Ongoing preparations**

After having lead the team that explores which new market offers the greatest opportunities, Expansion Director of JYSK, Mikael Albæk Kristensen is now in charge of the group preparing the opening.

The project took off in autumn 2021, and just like Jan Bøgh, Mikael Albæk Kristensen looks forward to JYSK opening stores in Turkey.

"We see a high demand for our products and Scandinavian designs, and we are sure that they will appeal to the Turkish customers. Especially to the younger generation in the western part of Turkey, which is where we will open our first stores. Not only because that part of Turkey has a lot of possibilities, but also because it is close to our distribution center in Bozhurishte, Bulgaria," says Mikael Albæk Kristensen.



# DÄNISCHES BETTENLAGER BECAME JYSK

**JYSK became united under one brand when the stores in Austria and Germany changed name from Dänisches Bettenlager to JYSK.**

When Lars Larsen opened his first store in Germany in April 1984, it was called Dänisches Bettenlager. Since then, Dänisches Bettenlager grew to almost 1,000 stores in Germany, and in Austria, almost 100 stores carried the name Dänisches Bettenlager on their store front.

All Austrian stores were named JYSK in 2020, and finally, on 27 September 2021, the German stores were rebranded to JYSK, just as Lars Larsen had wanted.

"With just one brand, we can better utilise marketing concepts and benefit from our initiatives across all markets. I have no doubt that both customers and employees will also welcome the name change in Germany," said President and CEO of JYSK, Jan Bøgh, when the decision was announced in January.

### 8,000 logos changed

This initiated the huge task of preparing the stores and the website for the big day on 27 September.

This included the change of 8,000 logos in just 7 weeks and rebranding store fronts all over Germany.

As part of the project 1,600 new articles will become part of the assortment in Germany, and the total budget of rebranding, rearranging and opening new stores in Germany is more than EUR 250 million.

### Good rehearsal

Prior to rebranding Germany, JYSK had great success rebranding Austria, which took place on 1 October 2020.

In Austria, customers received the new name and assortment positively, and sales increased with more than 50 percent in the weeks after the rebranding, until all stores were temporarily closed due to corona restrictions which led to a decrease in sales.

# JYSK INCREASES SPEED OF REARRANGEMENTS

**During the financial year, JYSK made a strategic decision to speed up the process of modernising all stores to Store Concept 3.0.**

By the end of FY24, all JYSK stores will be rearranged to the newest JYSK store concept.

More than 1,000 of the 3,000 JYSK stores worldwide have now been updated to Store Concept 3.0. This has proven a great success, which is why JYSK decided to speed up the process and modernise all stores before the end of 2024.

The decision is supported by the increase of sales that JYSK has seen in rearranged stores as well as the quick return of customers to physical retail after the restrictions due to corona has been lifted.

On an overall level, JYSK has recorded a sales increase of 5-10 percent in all 3.0 stores, which is why the process of updating

stores will be done by the end of 2024. This means that more than one store must be rearranged every day.

"We know that this requires a lot from many different departments. However, we must stay up to date and the new concept gives the stores a more Scandinavian look with less steel and more wood, which our customers are very happy with," says President and CEO, Jan Bøgh.

He emphasizes that speeding up the rearrangements does not mean that JYSK should decrease the speed of opening new stores.

On the contrary, the number of new stores will increase in most countries as well.

# 3.0



More than 1,000 of the 3,000 JYSK stores worldwide have now been updated to Store Concept 3.0.

# SUSTAINABLE BUSINESS

## – AN EXCITING GROWTH JOURNEY AHEAD

**Actona Group A/S delivers record revenue and earnings once again, and the potential is still much higher according to CEO, Jimmi Mortensen.**

On 1 April 2021, Jimmi Mortensen officially stepped into his new role as CEO of Actona Group after 3 months of onboarding to the new position. Something he had been looking forward to since the announcement in the autumn of 2020.

"When my new position in Actona Group was announced in October 2020, several people asked: "Why?" Why would I change from a great job as CEO of Flügger Group with all-time high performance to a company that most people knew little about," explains Jimmi Mortensen and continues.

"I see something which they don't. I see a fantastic culture and enormous potential which, as it is today, might be less known, but that will change over time. One of the things that really attracts me is the strong ownership and being part of Lars Larsen Group, which provides the economic basis to accelerate our profitable growth journey."

### Double up

The goal is clear according to Jimmi Mortensen: "It took Actona Group 40 years to reach the current all-time high level. Within the next four years, the aim is to more than double the value of our company through a +100% increase in revenue and earnings."

Jimmi Mortensen continues: "It is an ambitious goal but also a realistic one. Not because of me, but because of the fantastic team we have in Actona Group. Reaching a goal like that will never be the work of one man, but a dedicated team effort which clearly characterises our DNA and culture. My responsibility is simply to make sure that we allocate our resources in the best possible way, and at the same time find and develop the strongest team to deliver on our promises."

Furthermore, he is very aware of the areas where Actona Group has to develop in order to keep up the current success and growth.

"Historically, price has been key for most of our customers, and Actona Group has always been world-class tradesmen who are able to spot the trends and find the right products at the right price."

"But what got us here won't get us there – and the right price and product do not guarantee us the order – it only qualifies. We need to take huge steps concerning dependability within supply chain and ensure and optimise focus on sustainability. Today, the majority of our customers are not yet willing to pay for that, but we must begin the journey to ensure that we live up to the requirements that we will certainly meet in the near future. E-commerce is another area where we need to develop further and faster. We have seen a rapid development during the corona pandemic. We need to develop from box-mover to solution-provider by enriching our value proposition with value-adding services such as various information about the products and its origin as well as increase our service & logistic level," says Jimmi Mortensen.

*"I see something which they don't"*

Jimmi Mortensen

### Tough market

From a strictly business point of view, Jimmi Mortensen recognises that the corona pandemic has benefitted Actona Group on the short run, but it also leaves further uncertainty for the future.

"It has been a record year for Actona Group. But it has also been a very unpredictable market with sudden and continuous increases in raw material prices as well as freight issues. I do not expect the market to settle down on short term, so we acknowledge that there are limited certainties in the market, where the ability to react, and agility to move according to demand, is key. The strong ownership provides us with the ability to act quickly and decisively if the circumstances change, which is crucial in times like this," says Jimmi Mortensen.

### Secret success

He has no doubt that this is a task that Actona Group will be able to handle which brings us back to the challenge he originally faced when announcing his new role as CEO of Actona Group:

"Actona Group is a great company with a great culture, but it is also kind of a secret to most people. When being more than 40 kilometers away from Holstebro, very few people know what Actona Group is, and that needs to change for us to be able to continue our growth journey. Therefore, we have a task of making sure that we are able to attract the right employees to reach our new goals and deliver on the promises of doubling our revenue and earnings," says Jimmi Mortensen.

Jimmi Mortensen,  
CEO of Actona Group



# Responsibility

***We take pride in being decent and respectful. We communicate openly and are honest about our products and business practices.***

# PAYING OUR FAIR SHARE OF TAXES IS IN OUR DNA



Lone Fogh Morthensen,  
Director, Head of Tax

**Acting in a trustworthy and responsible manner has always been a core part of the DNA of Lars Larsen Group. This also applies to our tax policy.**

In Denmark, our founder Lars Larsen remains famous as an entrepreneur and businessman who was happy to pay his fair share of taxes and act as a responsible member of the global society.

He understood the importance of contributing to the societies he operated in, while still providing great offers to his customers around the world.

*“The more I pay in taxes the happier I am, as increased taxes are always the result of increased earnings”*

– is a well-known Lars Larsen quote.

He also made it clear that politicians were tasked with the responsibility to agree on reasonable amount of taxes to be paid and then he would meet these obligations. Not more, not less. According to Lone Fogh Morthensen, Director and Head of Tax of Lars Larsen Group, the Brunsborg family’s attitude towards taxes is the foundation of the group’s new tax principles.

“Our owners have always had a positive attitude towards paying our taxes, although this attitude was not written down in a formal matter. Therefore, we have focused on taking the DNA of Lars Larsen Group and narrow it down into principles that are easy to understand,” explains Lone Fogh Morthensen.

#### **Fair share**

It is not always straightforward.

As Head of Tax, she is responsible for making sure that Lars Larsen Group pays the right amount of tax at the right time all over the world.

"Tax is a cost in line with any other business costs. When it comes to taxes, there will sometimes be uncertainty about what is the right amount of tax to be paid, and our tax principles help us to navigate this uncertainty. In my opinion, taxes shouldn't be reduced in an unfair manner and it is important for us that tax is not the driving factor in how we operate. When Lars Larsen Group companies enter a new market, it is based solely on sound commercial reasons. Then we handle the taxes responsibly afterwards," says Lone Fogh Morthensen.

**Can be a dealbreaker**

And although tax is never the reason to do something, it can in some cases be the reason not to.

Especially in regards to investments.

"When we actively manage companies within our own group, we know that they are operating in accordance with our tax

principles. When acting as a passive investor, it is very important for us only to invest when we are sure that the fund, project or company we invest in has the same attitude towards taxes as Lars Larsen Group. Therefore, we thoroughly investigate how they handle taxes and ensure that they can live up to certain standards aligned with our tax principles. If that is not possible, we do not pursue the investment, and this has already happened in a few cases regarding otherwise promising investment opportunities," says Lone Fogh Morthensen.

Acting as a responsible investor, also in tax matters, is important for Lars Larsen Group. Lone Fogh Morthensen continues; "We are very inspired by the ever-developing best practice within responsible investment and taxation where Danish institutional investors are on the forefront globally. As an example, we include the tax code of conduct initially established by a number of Danish pension funds to the dialogue concerning new investments."

## TAX PRINCIPLES



Lone Fogh Morthensen, Director, Head of Tax

**Increased transparency**

"Making the principles that guide our management in tax affairs public knowledge is only a first step. We also want to be able to demonstrate how these principles are adhered to as well as how and where we pay taxes," explains Lone Fogh Mortensen and continues.

"Furthermore, we want to increase the flow of information regarding taxes, and the full economic footprint in the different countries in which we operate. I see this as a natural development to clarify our contribution to society everywhere we operate.

Customers, governments and NGOs will expect from us, and future legislation will probably require all major companies to do. With the family values trademanship, responsibility and growth as our framework, we continuously strive towards long-term, successful development of Lars Larsen Group.

How we manage our taxes remains no exception.

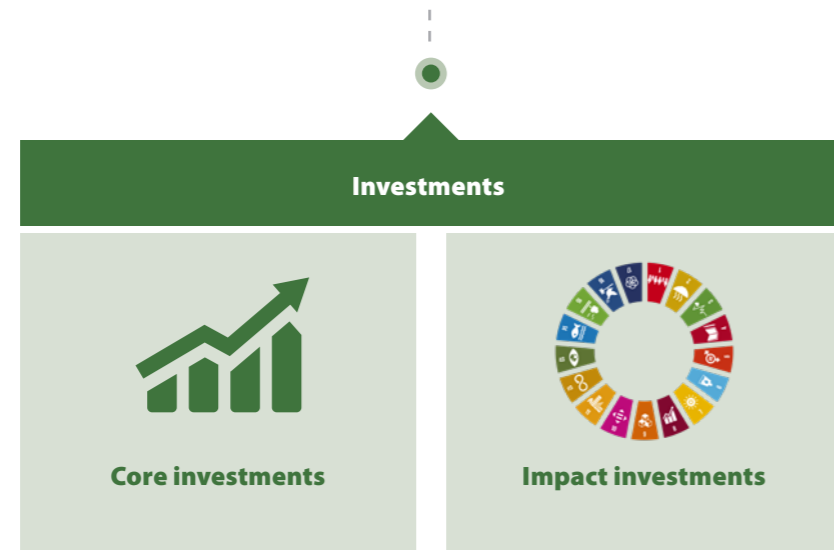
# INVESTMENTS

## PURPOSE

Through our investment activities, we seek to secure a sound financial foundation to support our owners and group companies while making a positive impact on society.

We categorise our investments as either Core investments or Impact investments:

- The main objective of Core investments is to generate attractive risk-adjusted returns while investing responsibly.
- The main objective of Impact investments is to support the world in reaching the global SDGs.



## PRINCIPLES

The investment activities are guided by the ambition and values of Lars Larsen Group – just like all other activities. Moreover, we have defined three core principles for our investments:

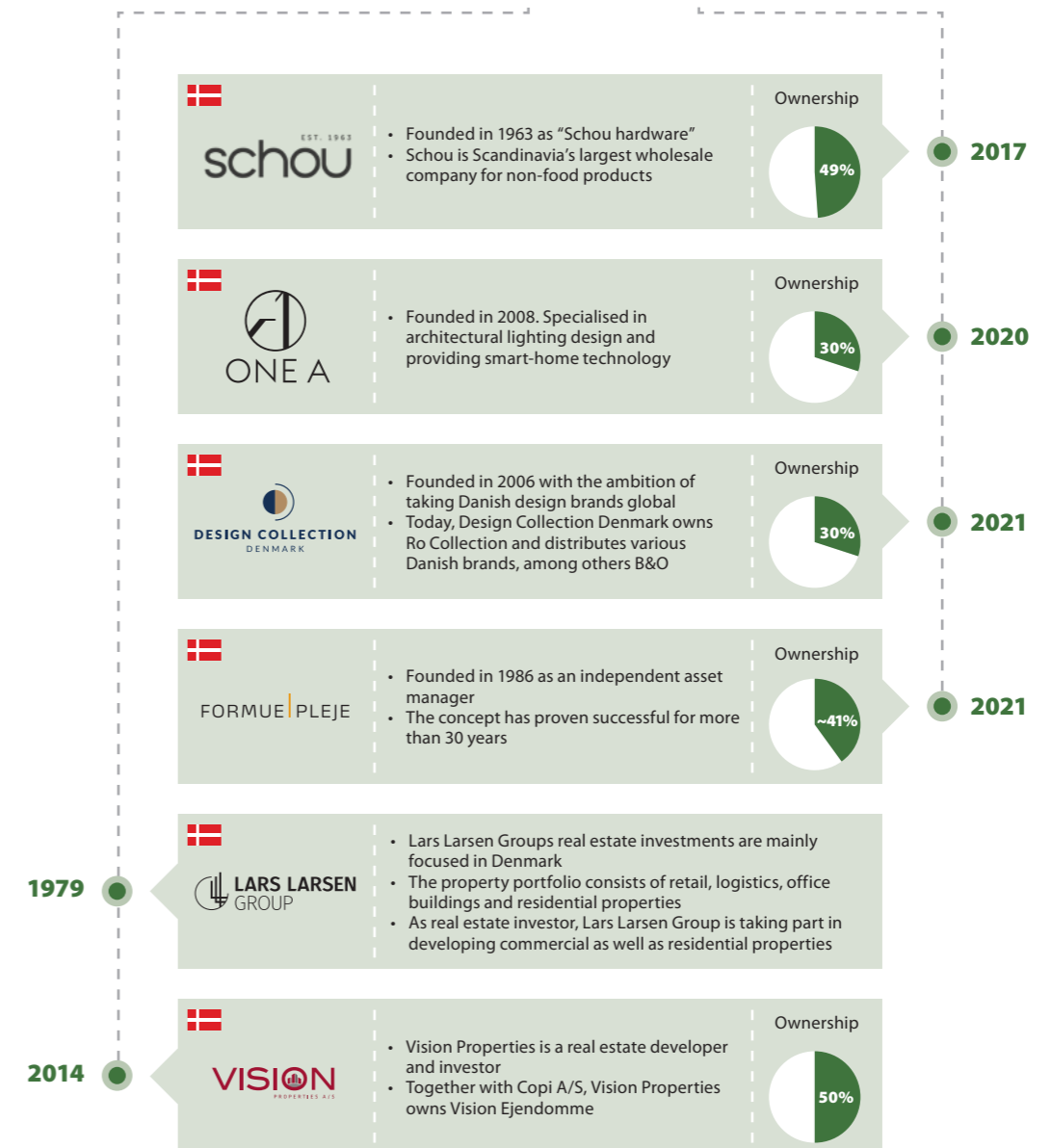
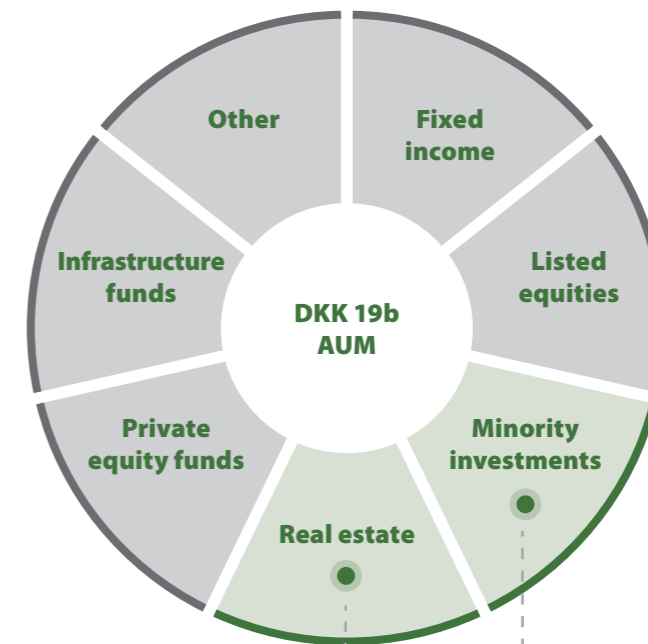


## FY21

Like many other investors, our returns are highly correlated with the equity market, which has been favourable in FY21. With that in mind, we are satisfied with the returns achieved but more importantly by the fact that we have been able to mobilise our investment activities efficiently and execute on our new strategy. However, our long-term objectives remain more important than short-term results, and we keep focusing on making the right long-term investments and with a desire to leave a positive impact on society.

## AREAS

The investment areas in Lars Larsen Group include fixed income, listed equities, minority investments, real estate, private equity funds and infrastructure funds across which we allocate our capital to create an attractive and well-diversified portfolio. Majority investments are placed under Lars Larsen Group companies.







# RESPONSIBLE INVESTMENTS

Responsibility is one of the three core values of Lars Larsen Group and plays a key role when we decide which projects to invest in.

Even though we have a keen eye for attractive investments, it is equally important to ensure that the company, fund or asset manager in sight acts and invests responsibly.

We strive for our investments to contribute to society in a positive way. Either very directly as is the case with our investments in renewable energy, or in a more indirect way by creating new jobs, growth or welfare in society.

### Three key elements

We always evaluate the environmental impact, the social impact and the corporate governance before investing.

Within all three areas, the investment has to live up to the requirements by Lars Larsen Group if we are to proceed.

This also means that Lars Larsen Group has a number of areas where we do not want to invest. This means that companies or funds that are highly dependent on such investments are not relevant for Lars Larsen Group. The list includes e.g. weapon and tobacco as these areas are not in accordance with our values. Furthermore, we believe that companies that are dependent on such products will not be profitable in the long run.



Christina Jacobsen, Group Sustainability & ESG Manager.  
Rune Jungberg Pedersen, Communications and CSR Director.

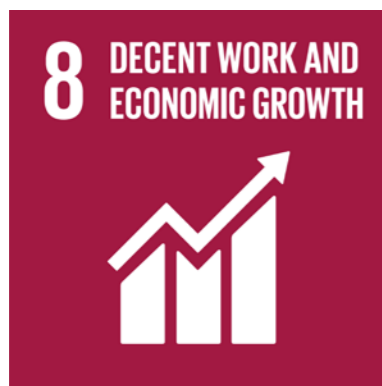
### Nothing new

Acting and investing responsibly has been at the heart of Lars Larsen Group from the very beginning, and therefore it is not new to us to make decisions based on much more than just potential profit.

What is new is that it is written down, and that we have a very structured and more thorough process of working with invest-

ments to reduce the risk of having negative surprises after having engaged in an investment.

This is how we interpret responsible investments.



We aim to contribute to long-term successful and responsible business development with respect for Human Rights. Our Lars Larsen Group Employee Code of Conduct as well as Supplier Code of Conduct communicate our requirement to respect Human Rights and Labour Rights.



Sustainability is an integral part of decision making at Lars Larsen Group. Through our sustainability governance structure, our companies are required to:

- Identify a sustainability strategy and integrate sustainability within their core business
- Report annually on sustainability

Companies are obligated by above requirements to varying degrees.



Through our sustainability governance structure our companies are required to:

- Implement a company specific Environment and Climate policy
- Work towards measuring, reporting, and where possible reduce greenhouse gas emissions

Companies are obligated by above requirements to varying degrees.



We work with a high degree of transparency, business ethics and zero tolerance towards corruption. We have implemented policies to support accountable practices as well as proactive initiatives in our effort to perform business with integrity.

# SUSTAINABILITY

In Lars Larsen Group, our companies work with KPIs as a core element in our work with sustainability.

KPIs relating to for instance work safety, employee satisfaction and anti-corruption are shared across the group.

Within the field of environment and climate, however, our companies work with individually defined KPIs within two shared focus areas: greenhouse gas and more sustainable raw materials, with initial focus on wood and cotton.

## Easy to understand

It is our aim that companies within the group must have measurable goals that are easy to understand for stakeholders as well as for society.

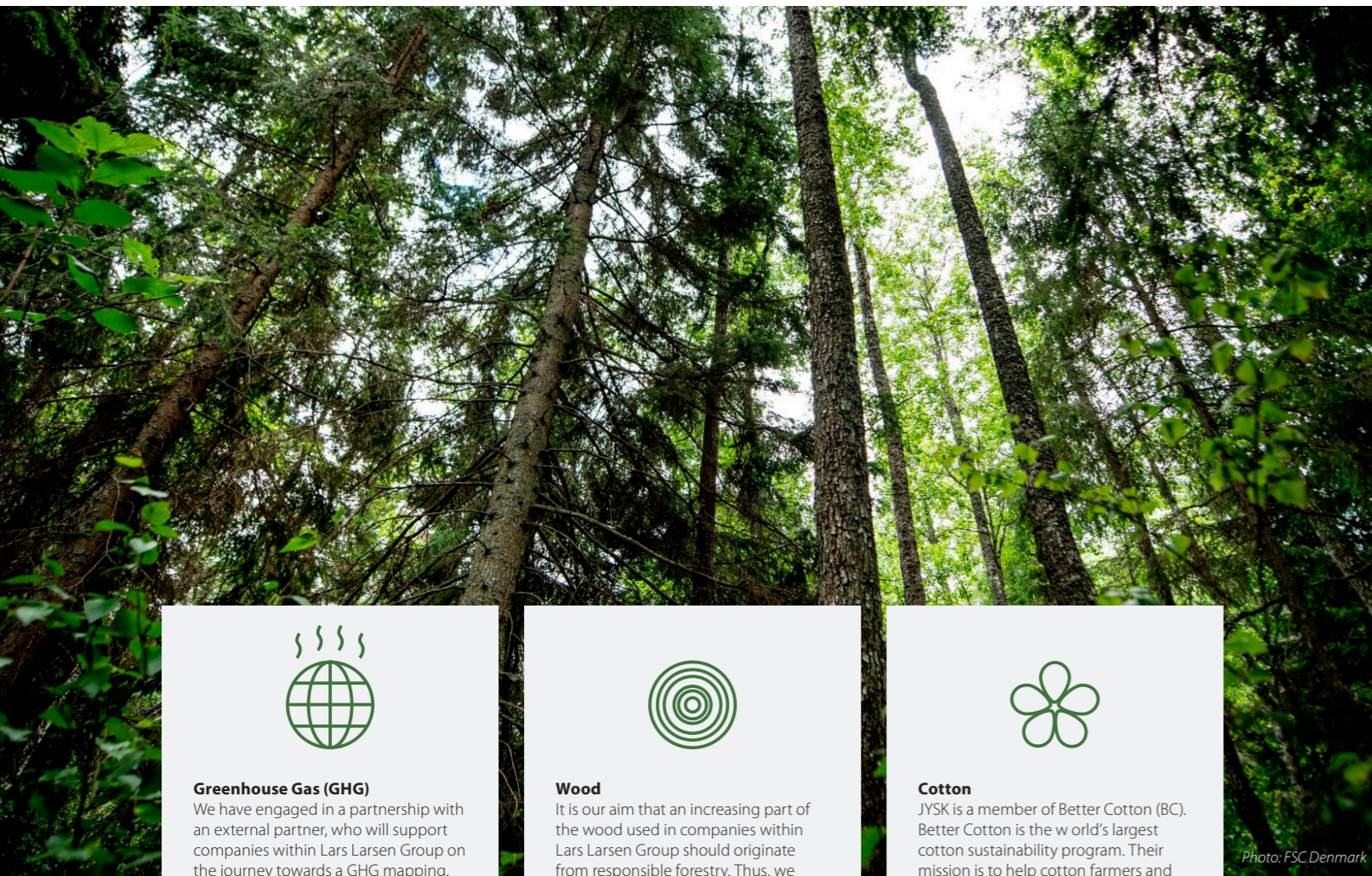
In regards to wood, Bolia has committed to using FSC®-certified wood for all products by the end of 2022, while JYSK is committed to using FSC®-certified wood for all products as well as packaging by the end of 2024. Furthermore, all new products in the assortment in JYSK as well as in ILVA will be FSC®-certified from January 2022.

In regards to cotton, JYSK is committed to using more sustainable cotton for all textile products by the end of 2024. This includes recycled cotton, organic cotton or cotton certified by Better Cotton, which is an organisation that helps cotton farmers achieve a higher yield while reducing use of water and pesticides.

JYSK has also set a goal to reduce scope 1 and 2 emissions from own sites by 50 percent before 2030 from a 2019 base year.

Another example of greenhouse gas emissions-targets within the group is ScanCom that has pledged to reduce emissions by 10 percent every year from 2021 and until 2030.

These are examples of specific goals within the group. More will follow as all companies continue to increase their efforts to become more sustainable.



### Greenhouse Gas (GHG)

We have engaged in a partnership with an external partner, who will support companies within Lars Larsen Group on the journey towards a GHG mapping. It is our ambition that this project will support companies within the group in setting a reduction target for their GHG emissions. Companies within the group will engage in this project during FY21 and FY22.



### Wood

It is our aim that an increasing part of the wood used in companies within Lars Larsen Group should originate from responsible forestry. Thus, we have engaged with The Forest Stewardship Council® (FSC®). FSC® is an international non-profit organisation which promotes environmentally appropriate, socially beneficial, and economically viable forestry worldwide. It is our aim that an increasing part of the wood used should originate from responsible forestry.



### Cotton

JYSK is a member of Better Cotton (BC). Better Cotton is the world's largest cotton sustainability program. Their mission is to help cotton farmers and cotton communities to survive and thrive while protecting the environment.

Photo: FSC Denmark



Photo: BCI/Khaura Jamil



## SCANCOM AWARDED FOR SUSTAINABILITY INITIATIVES

**After a difficult year due to corona, ScanCom is still fully focused on doing business the right way.**

Vietnam is one of the countries in the world that has suffered most due to coronavirus. This has affected ScanCom strongly, as the company was forced to close down the majority of the production due to severe lockdown restrictions from the Government. The consequence of almost 3 months without any operation and output has certainly effected the overall turnover of ScanCom.

However, ScanCom is still 100 percent focused on doing business the right way and ensuring that the company's products are produced in a responsible way.

"It is important that ScanCom and others in our industry, remain pro-active and continue seeking new opportunities to unite business goals with the United Nations Sustainability Goals. This is one of the reasons why we are so focused on ensuring that the raw materials for our products are responsibly sourced, and that we design with recyclability in mind. Also when we are challenged by other major external issues," explains CEO of ScanCom, Stig Maasbøl.

This means that ScanCom, besides having trendy garden furniture, where the plastic originates from used fishing nets, also

ensures sourcing of plastic in other ways which can contribute to both nature and people in a positive way.

"An example is when we invite the local community to collect plastic waste in areas of Indonesia and Vietnam. They bring the plastic waste to ScanCom's recycling partners, and then we pay for the plastic and use it as raw materials. This gives a lot of people a great incentive to remove plastic from nature, and we produce without having to use virgin raw materials," says Stig Maasbøl.

The efforts of ScanCom has not gone unnoticed.

On 27 August 2021, CEO Stig Maasbøl received an award in the category Green Solutions, when HRH Crown Prince Frederik of Denmark handed out International Business Awards.

"It almost goes without saying how pleased I am with being the recipient of this award. The recognition from His Royal Highness and the Danish Export Association for the efforts we at ScanCom are making, in accordance with our motto and principle of 'Doing Business the Right Way', just strengthens my deep-founded belief that you can be both responsible and ethical when manufacturing at scale," says Stig Maasbøl after the award ceremony.



Photo: Keld Navntoft

CEO of ScanCom Stig Maasbøl receives an award and a smile from HRH Crown Prince Frederik of Denmark.





# Growth

***We want to see the Lars Larsen Group flourish and grow which is why we strive to be as competitive and profitable as we can be.***

# SOFACOMPANY IS THE PERFECT FIT

**After a thorough screening for the perfect pure player, Lars Larsen Group acquired SOFACOMPANY in June 2021.**

When entering the showroom of SOFACOMPANY in Ringsted, CEO of SOFACOMPANY, Henrik Andersen and President and CEO of JYSK and Chairman of SOFACOMPANY, Jan Bøgh, are in eager discussion about a sofa.

*“I am just about to sell  
Jan a sofa”*

- says Henrik with a smile that says a lot about his view on Lars Larsen Group's acquisition of SOFACOMPANY. He makes it quite clear that Lars Larsen Group is exactly the kind of owner that he and his colleagues had hoped for.

“When owned by a private equity fund, a company is always for sale and me and my management colleagues had a short list of companies that we found attractive as owner. Lars Larsen Group was at top of that list. However, we also knew that in the end it all comes down to who makes the best offer,” says Henrik Andersen.

#### **Part of the strategy**

That offer came from Lars Larsen Group, and according to the Chairman of SOFACOMPANY, Jan Bøgh, the acquisition of SOFACOMPANY was the culmination of a long process.

“During our process with the JYSK strategy for FY20 and beyond we made a strategic choice to acquire a pure player, because retailers who are established based on online sales certainly have some competencies that we can learn from. And there is no better way to learn than owning one yourself, and therefore





Henrik Andersen, CEO, SOFACOMPANY  
Jan Bøgh, President and CEO, JYSK and Chairman, SOFACOMPANY

we began looking at the market. In cooperation with Deloitte, we decided on a screening process, and after several companies went through the process, SOFACOMPANY came out as the best opportunity," explains Jan Bøgh.

#### **Huge potential**

When asked to describe some of the most attractive features of SOFACOMPANY, Jan Bøgh points to the fact that SOFACOMPANY is extremely good and professional when selling sofas. The company has proven that they are able to expand successfully and profitably, and the product assortment has worldwide appeal.

"There are no limits for the expansion of SOFACOMPANY. The product has a wide appeal and the functional Danish design is popular worldwide. A further advantage to buying a Danish company is that customers anywhere in the world will buy Danish products simply because they are Danish. In general, I believe that Denmark and other Nordic countries give positive associations for most people," says Jan Bøgh.

#### **If it ain't broken**

He also makes it very clear that customers should not expect a lot of changes in SOFACOMPANY as a result of the new ownership.

"On the contrary. SOFACOMPANY has a strong DNA and strong values that they should hold on to, as these values have been important drivers for the success so far. Lars Larsen Group will help behind the scenes where we can provide good advice, knowledge or financial benefits by getting better prices for certain services, because we are able to negotiate on behalf of the whole group. But SOFACOMPANY is bought as a stand-alone company, and it will continue to operate as such," explains Jan Bøgh.

And that is exactly what Henrik Andersen likes to hear.

"It is no secret that we have spent a lot of time and efforts on building the DNA of SOFACOMPANY, and we want to hold on to that DNA while benefitting from belonging to a bigger group.

That is exactly what we will get, and I think it is fair to say that SOFACOMPANY's employees are happy that Lars Larsen Group is the new owner. In general, I believe that Lars Larsen Group is known as a good owner with great values which all our employees can see themselves as part of," says Henrik Andersen.

#### **Continued growth**

His focus remains on the growth plans for SOFACOMPANY. "If we grow 42 percent a year, we can double our turnover every second year, and that is our ambition. Even though we have had high growth rates for a number of years, we still have a huge potential in existing markets as well as in entering new markets. With Lars Larsen Group as owner, we get the funding and support to fulfill that potential, and I am really looking forward to doing just that," says Henrik Andersen.

Jan Bøgh agrees: "As Chairman of SOFACOMPANY, I like to see a very ambitious growth plan from the CEO and based on what SOFACOMPANY has shown so far, I am sure it is realistic."

Then it just remains to be seen if he and Henrik Andersen can agree on the conditions for a new sofa for Jan Bøgh's apartment.

# FORMUEPLEJE

## A WELL-KNOWN PARTNER JOINS THE FAMILY

Claus Hommelhoff and Erik Møller founded Formuepleje in 1986, and since the beginning they have kept developing the leading bank-independent asset management business in Denmark. Formuepleje has continuously proven its capability of creating attractive returns for their customers through a systematic and long-term investment approach.

Lars Larsen Group sees the investment as long-term with the aim of contributing actively to the development of an already well-run company.

"Formuepleje is a fantastic company that is based on a healthy community of interest with customers. We know Formuepleje from a customer perspective, and we see great potential in further developing the company together with the management and the other shareholders. The investment is in line with our strategy of investing in well-run companies that create growth and value in society. With the investment in Formuepleje, we ensure the continued development of a family-owned company," explains President and CEO of Lars Larsen Group, Jesper Lund.

### Well received

The change in ownership has been well received by the employees in Formuepleje.

"I am proud that Formuepleje will have a prominent anchor shareholder amongst its owners. It is yet another endorsement of Formuepleje. In addition, I particularly note that this is a major customer who wants to become an anchor shareholder. This will ensure the stability of Formuepleje for years to come," says CEO of Formuepleje Niels B. Thuesen, and continues:

"With Lars Larsen Group as one of the owners, we can continue cultivating the common interest with our customers and make long-term decisions in relation to how we should develop our company for the benefit of customers, employees and shareholders."

### The right match

However, the transaction does not mean that the Hommelhoff family will no longer be part of Formuepleje.

"Formuepleje is the life's work of my family and I look forward to being a part of it for many years to come. However, we are now reducing ownership percentages as we see Lars Larsen Group as an investor who has a desire to continue Formuepleje in the spirit that my father, Claus Hommelhoff, and Erik Møller built the company on 35 years ago. With Lars Larsen Group becoming an anchor shareholder, we have a solid foundation that ensures the long-term strategy of independency and transparency, and with Lars Larsen Group as co-owners, we ensure that the ownership of the company remains in Denmark. Lars Larsen Group is a good match for Formuepleje, which was the decisive factor in our decision to reduce ownership," says Andreas Hommelhoff on the behalf of the founding family.

### The Transaction

On 23 June 2021, Lars Larsen Group signed the deal to acquire 41% of the shares in Formuepleje. Following the approvals from the Danish Financial Supervisory Authority, the deal was successfully closed in November 2021.



From left:  
Daniel Albæk, CIO of Lars Larsen Group  
Andreas Hommelhoff, Member of the Board at Formuepleje  
Claus Hommelhoff, Co-Founder of and Senior Advisor at Formuepleje  
Jesper Lund, President and CEO of Lars Larsen Group

# SENGESPECIALISTEN MADE THE DREAM COME TRUE

**By acquiring Sängjätten, SengeSpecialisten brought the dream of foreign expansion to life.**

In June 2021, when SengeSpecialisten announced the intention to acquire the activities of the Swedish company Sängjätten, this was in line with what CEO of SengeSpecialisten, Martin Amstrup Bang, said when presenting the result for FY20. He announced that after having achieved a good financial baseline in Denmark, SengeSpecialisten was ready to look beyond the Danish borders.

Now, SengeSpecialisten has found the perfect match in Sweden.

"The DNA of Lars Larsen Group is growth, and I am very happy

that we were able to acquire Sängjätten as a solid foundation for our growth in Sweden," says Martin Amstrup Bang.

## **New name and new visual identity**

As experts in beds that promote better sleep, Sängjätten and SengeSpecialisten have many similarities. To further strengthen this, a new name and visual identity will be implemented in both Sängjätten's and SengeSpecialisten's stores. The first Swedish stores have already got the new name SENG in December 2021 and by the end of 2022, the rest of the Swedish as well as Danish stores will follow. Along with the name change, the stores will also be rearranged.

"A lot of work has been going on behind the scenes since the acquisition. We are excited about the changes, which are visible to our customers, and we believe that many of the concepts which have been successful in SengeSpecialisten can be transferred to Sängjätten. This includes our store design, which is why we have begun rearranging the stores," explains Martin Amstrup Bang, who also points to marketing as an area where SengeSpecialisten and Sängjätten will become more aligned.

This is in line with SengeSpecialisten's focus on the impact sleep has on our lives.

"The last few years, we have been focused on communicating our motto "Better bed, better you", and we want to make sure that every customer in Denmark and Sweden knows the motto and connects it with us," says Martin Amstrup Bang.



Martin Amstrup Bang, CEO, SengeSpecialisten





# HIMMERLAND FOR EVERYONE

## Continuous expansion means that HimmerLand can attract a lot of different visitors.

Located in the beautiful nature of the Northern part of Denmark, HimmerLand is the preferred resort destination for those who enjoy outdoor activities such as golf, mountainbiking or a nice walk in the landscape.

HimmerLand also offers a spa center, three restaurants, a golf shop and swimming facilities.

Since 1 October 2021, the overall responsibility of the resort has been in the hands of CEO, Mette Ravn, and she is proud of managing HimmerLand.

"It is a very lively and funny place to be. We provide world class entertainment for our guests, and I am really fortunate that all of our employees in HimmerLand are dedicated to providing the kind of service that makes our guests leave with a big smile," explains Mette Ravn.

## Big plans

However, she also has her hands full with the many different projects in HimmerLand, which include building an additional 26 hotel rooms, a brand new spacenter, sports facilities with an outdoor artificial football field, outdoor and indoor paddle tennis courts as well as a multi arena.

"HimmerLand is a resort with so many possibilities, and with the new facilities being built we can continue our efforts to turn HimmerLand into a destination that is attractive throughout all months of the year. Not just for golfers, but also for guests who want to enjoy wellness, as well as getaways for couples and families," says Mette Ravn.



Mette Ravn, CEO, HimmerLand



HimmerLand Spa

*"Nine dishes for DKK 900 with gastronomy on this level must be just about the best gourmet purchase in the country, and even if one does not play golf, you should visit. It is worth experiencing what duvets can lead to."*

Food critic Niels Lillelund in Jyllands-Posten, 22 August 2021



Himmerland Hill



HimmerRiget Restaurant

# GROWTH IS AT THE HEART OF WHAT WE DO

**The story of Lars Larsen Group is also the story of growth and about creating new jobs and opportunities wherever we operate.**

Lars Larsen Group is involved in many construction projects, such as the new JYSK distribution centre in Ecsér, Hungary and the expansion of JYSK's and Lars Larsen Group's international Head Office in Brabrand, Denmark.

"Wherever we build, it is important to us that we are responsible, and thereby continuously ensure that buildings are energy efficient, and all buildings comply with relevant standards and regulations," says Executive Vice President, CFO Carsten Iversen.



*Expansion of JYSK's and Lars Larsen Group's international Head Office. When the two new buildings are finished in April 2022, the JYSK's and Lars Larsen Group's Head Office offers 21,200 square meters for the employees including 200 offices with room for 800 employees, 67 meeting rooms and a brand new auditorium seating 400.*



*The distribution centre in Ecsér, Hungary covers 143,000 square meters and has 210,000 pallet locations. It will be ready for operation in 2022.*



*In Ecsér, Hungary, JYSK is building a brand new distribution centre which will serve stores and customers in Hungary, Czech Republic, Slovakia, Slovenia, Croatia, Bosnia and Serbia.*

# BASIS OF PREPARATION

**Lars Larsen Group is not a group as defined in the Danish Financial Statements Act but a number of groups and entities owned by the Brunsborg Family and Lars Larsens JYSK Fond.**

Lars Larsen Group has prepared a Combined Group Annual Report, which on 31 December 2021 consists of the following legal groups and entities:

- LLG A/S (group)
- LLPT Holding ApS (group)
- DE LKL P/S
- DE LKL Komplementar ApS

The Combined Group Annual Report is prepared based on a consolidation of the separate consolidated financial statements for the groups LLG A/S and LLPT Holding ApS. The separate consolidated financial statements include subsidiaries in which the Combined Group holds more than 50% of the votes. Entities in which the Combined Group holds between 20% and 50% of the votes and exercises significant influence, but not control, are classified as associates. Further, the separate entities DE LKL P/S and DE LKL Komplementar ApS are consolidated in preparing the Combined Group Annual Report.

Eliminations are made of intercompany income and expenses, shareholdings, dividends, and accounts as well as of realised and unrealised profits and losses on transactions between the Combined Group's and entities.

Other than the basis for consolidation, the Combined Group Annual Report has been prepared in accordance with the recognition and measurement criteria of the Danish Financial Statements Act.

The full report is available at: [larslarsengroup.com](http://larslarsengroup.com)

## INCOME STATEMENT 1 SEPTEMBER - 31 AUGUST

<i>(mDKK)</i>	2020/21	2019/20
Revenue	39,090	35,648
Cost of sales	-18,639	-17,431
Other operating income	185	277
Other external cost	-7,678	-7,318
<b>Gross Profit</b>	<b>12,958</b>	<b>11,176</b>
Staff expenses	-6,852	-6,146
Depreciation and amortisation	-1,167	-1,204
Other operating expenses	-57	-58
<b>Profit before financial items</b>	<b>4,882</b>	<b>3,768</b>
Result from associated companies	101	52
Result from other investments	47	-5
Financial income	1,710	756
Financial expenses	-290	-410
<b>Profit before tax</b>	<b>6,450</b>	<b>4,161</b>
Tax on profit for the year	-1,308	-947
<b>Result for the year</b>	<b>5,142</b>	<b>3,214</b>

# BALANCE SHEET AT 31 AUGUST

## ASSETS

(mDKK)	2020/21	2019/20
Development projects	20	35
Software	161	154
Goodwill	1,475	32
<b>Intangible assets</b>	<b>1,656</b>	<b>221</b>
Land and buildings	3,793	3,728
Fixtures and fittings, tools and equipment	1,872	1,646
Leasehold improvements	1,488	1,291
Assets under construction	1,435	649
<b>Tangible assets</b>	<b>8,588</b>	<b>7,314</b>
Investments in associates	377	253
Other investments	468	271
Deposits	184	99
<b>Fixed asset investments</b>	<b>1,029</b>	<b>623</b>
<b>Fixed assets</b>	<b>11,273</b>	<b>8,158</b>
Commercial products	9,400	7,987
Prepayments of goods	180	165
<b>Inventories</b>	<b>9,580</b>	<b>8,152</b>
Trade receivables	1,116	1,078
Receivables from associates	1,130	421
Corporation tax	202	36
Deferred tax	834	835
Other receivables	830	664
Prepayments	266	217
<b>Receivables</b>	<b>4,378</b>	<b>3,251</b>
<b>Securities</b>	<b>14,386</b>	<b>12,713</b>
<b>Cash at bank and in hand</b>	<b>3,069</b>	<b>3,984</b>
<b>Current assets</b>	<b>31,413</b>	<b>28,100</b>
<b>Assets</b>	<b>42,686</b>	<b>36,258</b>

# BALANCE SHEET AT 31 AUGUST

## LIABILITIES

(mDKK)	2021	2020
<b>Equity attributable to Lars Larsen Group shareholders</b>	<b>30,687</b>	<b>26,269</b>
Non-controlling interests	13	34
<b>Equity</b>	<b>30,700</b>	<b>26,303</b>
Other provisions	9	10
Deferred tax	180	148
<b>Provisions</b>	<b>189</b>	<b>158</b>
Mortgage debt, long-term	434	484
Deposits, long-term	2	2
Loans, long-term	706	1,592
<b>Long-term debt</b>	<b>1,142</b>	<b>2,078</b>
Mortgage debt, short-term	55	59
Credit institutions	2,494	1,113
Deposits, short-term	38	17
Loans, short-term	1,324	1,014
Prepayments, received	357	263
Trade payables	2,169	1,983
Corporation tax	839	640
Other payables	3,086	2,389
Deferred income	293	241
<b>Short-term debt</b>	<b>10,655</b>	<b>7,719</b>
<b>Debt</b>	<b>11,797</b>	<b>9,797</b>
<b>Liabilities and equity</b>	<b>42,686</b>	<b>36,258</b>

# CASH FLOWS STATEMENT

<i>(mDKK)</i>	2020/21	2019/20
Profit for the year	5,142	3,214
Adjustments	907	1,744
Change in working capital	-1,049	1,361
<b>Cash flows from operating activities before net financials</b>	<b>5,000</b>	<b>6,319</b>
Financial income	1,710	756
Financial expenses	-290	-410
<b>Cash flows from ordinary activities</b>	<b>6,420</b>	<b>6,665</b>
Corporation tax paid	-1,250	-487
<b>Cash flows from operating activities</b>	<b>5,170</b>	<b>6,178</b>
Purchase of intangible assets	-65	-172
Purchase of tangible assets	-2,491	-1,727
Purchase of fixed asset investments	-350	-80
Sale of tangible assets	0	225
Sale of fixed asset investments	51	95
Purchase of enterprises	-1,578	-58
Cash at purchase of enterprises	69	0
<b>Cash flows from investing activities</b>	<b>-4,364</b>	<b>-1,717</b>
Payment of loans	-164	-1,598
Raising of loans	438	1,592
Loans given	-819	-426
Payment of mortgage loans	-54	-11
Change in debt to credit institutions	1,343	-742
Dividend paid	-804	0
Dividend received from associates and other investments	12	6
<b>Cash flows from financing activities</b>	<b>-48</b>	<b>-1,179</b>
<b>Change in cash and cash equivalents</b>	<b>758</b>	<b>3,282</b>
Cash and cash equivalents at 1 September	16,697	13,511
Correction due to merger/acquisitions	0	-96
<b>Cash and cash equivalents at 31 August</b>	<b>17,455</b>	<b>16,697</b>
Cash and cash equivalents are specified as follows:		
Cash at bank and in hand	3,069	3,984
Securities	14,386	12,713
<b>Cash and cash equivalents at 31 August</b>	<b>17,455</b>	<b>16,697</b>



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Project Coordinator

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Graphic Design Manager

**Circulation**

500 copies

**Printed by**

Narayana Press

**Paper**

Munken Lynx 80 + 150 g  
Colorplan Ridged 175 g

**Bookbinder finishing**

Det Grafiske Hus, Denmark

**Lars Larsen Group**

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