

Seidensticker Scandinavia ApS (under frivillig likvidation)

Raffinaderivej 10, 2300 Copenhagen S

Company reg. no. 35 65 00 91

Annual report

2021/22

The annual report have been submitted and approved by the general meeting on 15 September 2022.

Silvia Bentzinger
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Liquidator's statement

Today, the Liquidator has approved the annual report of Seidensticker Scandinavia ApS (under frivillig likvidation) for the financial year 2021/22.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 April 2022 and of the results of the Company's operations for the financial year 1 May 2021 – 30 April 2022.

Further, in our opinion, the Liquidator's review gives a true and fair review of the matters discussed in the Liquidator's review.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen S, 15 September 2022

Liquidator

Silvia Bentzinger

Independent auditor's report

To the Shareholders of Seidensticker Scandinavia ApS (under frivillig likvidation)

Opinion

We have audited the financial statements of Seidensticker Scandinavia ApS (under frivillig likvidation) for the financial year 1 May 2021 - 30 April 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 April 2022, and of the results of the Company's operations for the financial year 1 May 2021 - 30 April 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

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

Liquidator's Responsibilities for the Financial Statements

Liquidator is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Liquidator determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements 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 financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Liquidator.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Statement on Liquidator's Review

Liquidator is responsible for Liquidator's Review.

Our opinion on the financial statements does not cover Liquidator's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Liquidator's Review and, in doing so, consider whether Liquidator's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Liquidator's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Liquidator's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Liquidator's Review.

Independent auditor's report

Glostrup, 15 September 2022

PKF Munkebo Vindelev

State Authorised Public Accountants
Company reg. no. 14 11 92 99

Peter Krogsrud Eriksen
State Authorised Public Accountant
mne34335

Company information

The company

Seidensticker Scandinavia ApS (under frivillig likvidation)
Raffinaderivej 10
2300 Copenhagen S

Company reg. no. 35 65 00 91
Domicile: City of Copenhagen
Financial year: 1 May 2021 - 30 April 2022
7th financial year

Liquidator

Silvia Bentzinger

Auditors

PKF Munkebo Vindelev, Statsautoriseret Revisionsaktieselskab
Hovedvejen 56
2600 Glostrup

Bankers

Deutsche Bank AG, Herforder Straße 23, DE-33602 Bielefeld

Financial highlights

DKK in thousands.	<u>2021/22</u>	<u>2020/21</u>	<u>2019/20</u>	<u>2018/19</u>	<u>2017/18</u>
Income statement:					
Gross loss	-28	-89	1.323	1.429	1.405
Earnings before interest	-56	-114	180	80	76
Net financials	3.317	-114	-126	-123	-165
Net profit or loss for the year	3.261	-228	55	-683	-79
Statement of financial position:					
Balance sheet total	232	231	1.020	1.047	1.999
Investments in property, plant and equipment	0	0	0	0	125
Equity	102	-3.160	-3.011	-3.066	-2.382
Employees:					
Average number of full-time employees	0	0	2	2	2

Liquidator's review

The principal activities of the company

The significant activities of the enterprise is to sell shirts.

Development in activities and financial matters

The loss from ordinary activities after tax totals DKK 3.261.000 against DKK -228.000 last year. Management considers the net profit for the year satisfactory.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies

The most significant modifications resulting from the liquidation

Assets and equity and liabilities have been measured at realisable values. As a result of the liquidation, all assets have been recognised under current assets whereas all liabilities other than provisions are recognised as short-term payables.

Consequently, the measurements of assets and equity and liabilities are not comparable with last year's measurements.

All value adjustments of assets and equity and liabilities and any operating items in connection with the commencement of the liquidation have been recognised in the income statement, including staff commitments arising from dismissal, liquidator and auditor fees, and other fees relative to the liquidation.

Except for the changes mentioned above, the accounting policies are unchanged from previous years.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Accounting policies

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

Income statement

Gross loss

Gross loss comprises the revenue, cost of sales and other external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Writedown of inventories as a consequence of the liquidation is also recognised under this item.

Other external expenses comprise expenses incurred for administration and premises.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Accounting policies

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement under depreciation.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accounting policies

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Income tax and deferred tax

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

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Liabilities concerning other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 May - 30 April

All amounts in DKK.

<u>Note</u>	<u>2021/22</u>	<u>2020/21</u>
Gross loss	-28.052	-89.264
2 Staff costs	-21.365	0
Depreciation and impairment of property, land, and equipment	-6.809	-24.735
Profit before net financials	-56.226	-113.999
Other financial income	3.408.431	0
3 Other financial expenses	-90.966	-114.053
Net profit or loss for the year	3.261.239	-228.052
 Proposed appropriation of net profit:		
Transferred to retained earnings	3.261.239	0
Allocated from retained earnings	0	-228.052
Total allocations and transfers	3.261.239	-228.052

Balance sheet at 30 April

All amounts in DKK.

Assets		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Non-current assets		
4 Other fixtures and fittings, tools and equipment	0	6.809
Total property, plant, and equipment	0	6.809
5 Deposits	0	52.237
Total investments	0	52.237
Total non-current assets	0	59.046
Current assets		
Receivables from subsidiaries	165.588	58.146
Other receivables	11.349	14.055
Total receivables	176.937	72.201
Cash and cash equivalents	54.858	99.400
Total current assets	231.795	171.601
Total assets	231.795	230.647

Balance sheet at 30 April

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Equity		
Contributed capital	50.000	50.000
Retained earnings	51.545	-3.209.694
Total equity	<u>101.545</u>	<u>-3.159.694</u>
Liabilities other than provisions		
Payables to subsidiaries	0	3.255.884
Other payables	130.250	134.457
Total short term liabilities other than provisions	<u>130.250</u>	<u>3.390.341</u>
Total liabilities other than provisions	<u>130.250</u>	<u>3.390.341</u>
Total equity and liabilities	<u>231.795</u>	<u>230.647</u>

1 Uncertainties concerning recognition and measurement

6 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 May 2020	50.000	-2.981.642	-2.931.642
Profit or loss for the year brought forward	0	-228.052	-228.052
Equity 1 May 2021	50.000	-3.209.694	-3.159.694
Profit or loss for the year brought forward	0	3.261.239	3.261.239
	50.000	51.545	101.545

Notes

All amounts in DKK.

1. Uncertainties concerning recognition and measurement

The company has entered into liquidation and, as a result, the financial statements will be presented in accordance with the realisation principle.

	<u>2021/22</u>	<u>2020/21</u>
2. Staff costs		
Salaries and wages	21.365	0
	<u>21.365</u>	<u>0</u>
3. Other financial expenses		
Financial costs, group enterprises	90.019	110.976
Other financial costs	947	3.077
	<u>90.966</u>	<u>114.053</u>
	<u>30/4 2022</u>	<u>30/4 2021</u>
4. Other fixtures and fittings, tools and equipment		
Cost 1 May 2021	537.994	537.994
Cost 30 April 2022	<u>537.994</u>	<u>537.994</u>
Depreciation and writedown 1 May 2021	-531.185	-506.450
Depreciation for the year	-6.809	-24.735
Depreciation and writedown 30 April 2022	<u>-537.994</u>	<u>-531.185</u>
Carrying amount, 30 April 2022	<u>0</u>	<u>6.809</u>
5. Deposits		
Cost 1 May 2021	52.237	52.237
Disposals during the year	-52.237	0
Cost 30 April 2022	<u>0</u>	<u>52.237</u>
Carrying amount, 30 April 2022	<u>0</u>	<u>52.237</u>

Notes

All amounts in DKK.

6. Contingencies

Contingent assets

The company has an unrecognized tax asset of t.DKK 690, as it is uncertain whether it can be utilized in future earnings within a period of 3-5 years.