

BESSIE A/S

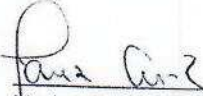
Vasekær 10
2730 Herlev

CVR No. 11553672

Annual report 2021/22

1 October 2021 - 30 September 2022

Adopted at the Annual General Meeting on 22
March 2023



Marisa Sousa Cunha
Dirigent

Contents

Company details	1
Management's Review	2
Statement by Management	3
Den uafhængige revisors erklæring	4
Accounting policies	7
Income statement	11
Proposed distribution of profit and loss	11
Assets	12
Equity and liabilities	13
Statement of changes in equity	14
Notes	15

Company details

Company details

Company

BESSIE A/S
Vasekær 10
2730 Herlev

CVR No.: 11553672

Executive board

Kasper Bo Petersen
Marisa Sousa Cunha

Board of Directors

Elsa Manuela Sousa Cunha
Kresten Bo Petersen
Marisa Sousa Cunha

Auditors

inforevision
statsautoriseret revisionsaktieselskab
Buddingevej 312
2860 Søborg
CVR No. 19263096

Sten Pedersen, statsautoriseret revisor

Management's Review

Primary activities

As in previous years, the company's primary activities were production and sale of jeans and women's clothing to retailers in the Scandinavian countries, Benelux and Ireland.

Uncertainties regarding recognition and measurement

A deferred tax asset of DKK 500,000 has been recognised in the balance sheet and equity, mainly related to the tax value of the unutilised tax losses. The value is conditional on the positive fulfilment of the prepared budgets for the financial years 2022/23 - 2024/25.

Development in activities and finances

The results of the company's activities in the financial year amounted to a profit/loss of DKK -1.074.732 against DKK -1.570.301 in last financial year. The equity at the balance sheet date amounted to DKK -1.869.885.

The turnover and costs have changed in a positive direction. Initiated initiatives with reduction of costs have had a positive effect and is expected to have a further impact in the coming financial year. However, the initiatives have not resulted in satisfying earnings yet. The company still work on increasing the turnover and to balance the costs.

The updated budgets for the financial years 2022/23 - 2024/25 show a positive development. The financial year 2022/23 shows a small loss, but it is expected that the actions taken thereafter will result in satisfying earnings.

The expected development

One of the management's main focus areas is to increase the turnover. In this respect a cooperation has been established with an agent in parts of Norway, while new agreements in Germany and the Netherlands are expected to contribute positively to the total turnover. In addition, the plan for the coming financial year is to focus on online trading and increase the turnover through this channel. This combined with a close cooperation with the capital owner of the company, ensures a continued focus on optimising processes, reducing costs and optimising cash flow. As a result the operations is expected to develop positively in the coming financial years.

In view of the above, the equity is expected to be reestablished in the coming financial year and the financial statements are therefore presented on a going concern basis.

Statement by Management

Statement by Management

The Board of Directors and The Executive Board have today considered and adopted the annual report for 1 October 2021 - 30 September 2022 for BESSIE A/S.

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


In our opinion, the financial statements give a true and fair view of the the company's financial position at 30 September 2022 and of the results of its operations for the financial year 1 October 2021 - 30 September 2022.

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

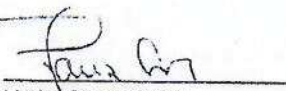
We recommend that the annual report be adopted at the Annual General Meeting.

Herlev, 22 March 2023

Executive board

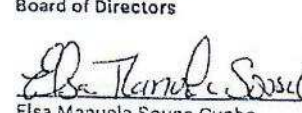


Kasper Bo Petersen
Executive director

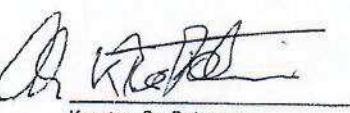


Marisa Sousa Cunha
Executive director

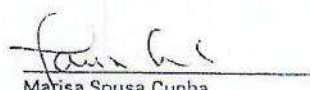
Board of Directors



Elsa Manuela Sousa Cunha
Chairman



Kresten Bo Petersen
Board member



Marisa Sousa Cunha
Board member

Den uafhængige revisors erklæring

Independent auditor's report

To the shareholder in BESSIE A/S

Opinion

We have audited the financial statements of BESSIE A/S for the financial year 1 October 2021 - 30 September 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position as at 30 September 2022 and of the results of the company's operations for the financial year 1 October 2021 - 30 September 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 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 this auditor's report. We are independent of the company in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Significant uncertainty regarding going concern

We draw attention to note 1 in the financial statements, which describes that the continued operations are conditional on positive fulfilment of the prepared budgets and maintenance of the necessary credit facilities. It is management's expectation that budgets will be met, and the necessary credit facilities are maintained. The financial statement is therefore presented on a going concern basis. Our conclusion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to note 2 in the financial statements which describes the significant uncertainty associated with the recognition of deferred tax asset. Our conclusion is not modified in respect of this matter.

Management's responsibilities for the financial statements

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

Den uafhængige revisors erklæring, continued

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 judgement and maintain professional scepticism throughout the audit. We also:

- 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 Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the 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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Den uafhængige revisors erklæring, continued

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management'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 Management's Review and, in doing so, consider whether Management'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 Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act.

We did not identify any material misstatement in Management's Review.

Søborg, 22 March 2023

inforevision
Statsautoriseret revisionsaktieselskab
CVR No. 19263096



Sten Pedersen
Statsautoriseret revisor
mne23408

Accounting policies

Information on reporting class

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

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

Some provisions from reporting class C has been adopted.

The accounting policies have not been changed from last year.

Generally regarding recognition and measurement

The financial statements have been prepared based on historical cost.

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

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

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

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

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

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

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

Foreign currency translation

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

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

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

Accounting policies, continued

Income statement

The income statement has been classified by nature.

Gross profit

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

Revenue

As income recognition criterion, the completed contract method is applied so that revenue comprises invoiced revenue for the year. Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer before the end of the financial year. Revenue is measured at fair value excl. VAT and less granted goods and customer discounts.

Cost of sales

Cost of sales comprise expenses incurred to earn revenue for the year including changes in goods for resale, raw materials and consumables used as well as packaging in the year.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the company's primary activities, including payments received from public authorities as well as profit on sale of fixed assets.

External expenses

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

Staff costs

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

Other operating expenses

Other operating expenses comprises expenses of a secondary nature as viewed in relation to the company's primary activities, including losses on sale of fixed assets.

Financial income

Financial income is recognised with amounts concerning the the financial year. Financial income comprise interest as well as realised and unrealised exchange gains.

Financial expenses

Financial expenses is recognised with amounts concerning the the financial year. Financial expenses comprise interest, realised and unrealised exchange losses as well as interest surcharge under the Danish Tax Prepayment Scheme.

Accounting policies, continued

Tax on profit or loss for the year

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

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

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

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

Balance sheet

The balance sheet has been presented in account form.

Assets

Property, plant and equipment

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

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

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

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

Category	Period	Residual value
Fixtures, fittings, tools and equipment	3 - 5 years	0%

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

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

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

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

Accounting policies, continued

Other receivables classified as fixed assets

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

Inventories

Inventories are measured at cost according to the FIFO method. In the event of cost exceeding net realisable value, writedown is made to this lower value.

Cost of goods for resale as well as raw materials and consumables comprises purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and other direct costs.

The net realisable value of inventories is calculated at the estimated selling price less completion costs and expected costs to execute sale. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales price.

Received prepayments from customers regarding non delivered goods are recognised as liabilities.

Receivables

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

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Equity and liabilities

Deferred tax and corporation tax

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

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

Deferred tax assets which are not expected utilised within a few years have been disclosed in notes under contingent assets.

Corporation tax relating to the the financial year which has not been settled at the balance sheet date is classified as corporation tax in receivables or liabilities other than provisions.

Financial debts

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

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

Income statement

	<u>Note</u>	<u>2021/22</u> DKK	<u>2020/21</u> DKK
Gross profit		2.219.491	1.861.966
Staff costs	4	-2.653.674	-2.299.666
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		-434.183	-437.700
Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets	5	-264.378	-176.495
Other operating expenses		-2.238	-168.672
Earnings before interest and taxes (EBIT)		-700.799	-782.867
Finance income	6	19.118	23.225
Finance expenses		-689.463	-454.929
Profit/loss before tax		-1.371.144	-1.214.571
Tax on profit/loss for the year	7	296.412	-355.730
Profit/loss for the year		-1.074.732	-1.570.301
Special items	3		

Proposed distribution of profit and loss

	<u>2021/22</u> DKK	<u>2020/21</u> DKK
Proposed distribution of profit and loss for the year :		
Transferred to retained earnings	-1.074.732	-1.570.301
Profit/loss for the year	-1.074.732	-1.570.301

Assets

	<u>Note</u>	<u>30/09-2022</u>	<u>30/09-2021</u>
		DKK	DKK
Fixtures, fittings, tools and equipment		550.923	329.481
Property, plant and equipment	8, 10	<u>550.923</u>	<u>329.481</u>
Deposits		167.278	165.540
Investments		<u>167.278</u>	<u>165.540</u>
Fixed assets		<u>718.201</u>	<u>495.021</u>
Raw materials and consumables		0	168.303
Manufactured goods and goods for resale		2.904.532	3.613.578
Inventories	10	<u>2.904.532</u>	<u>3.781.881</u>
Trade receivables		2.815.442	1.947.571
Other receivables		2.260	64.121
Deferred tax assets	7	500.000	203.588
Prepayments		0	584.677
Receivables		<u>3.317.702</u>	<u>2.799.957</u>
Cash at bank and in hand		<u>1.097.663</u>	<u>774.413</u>
Current assets		<u>7.319.897</u>	<u>7.356.251</u>
Total assets		<u>8.038.098</u>	<u>7.851.272</u>

Equity and liabilities

	<u>Note</u>	<u>30/09-2022</u>	<u>30/09-2021</u>
		DKK	DKK
Contributed capital		500.000	500.000
Retained earnings		-2.369.885	-1.295.153
Equity		-1.869.885	-795.153
Other payables		134.799	231.558
Long-term liabilities other than provisions	9	134.799	231.558
Debt to other credit institutions		5.492.213	2.912.602
Trade payables		2.624.783	2.083.683
Other payables		1.656.188	3.418.582
Short-term liabilities other than provisions		9.773.184	8.414.867
Liabilities other than provisions		9.907.983	8.646.425
Total equity and liabilities		8.038.098	7.851.272
Going concern	1		
Uncertainty relating to recognition and measurement	2		
Assets charged and collateral	10		
Contingent assets	11		
Unrecognised contractual commitments	12		

Statement of changes in equity

	Contributed capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 October 2020	500.000	275.148	775.148
Distributed profit/loss for the year		-1.570.301	-1.570.301
Equity at 1 October 2021	500.000	-1.295.153	-795.153
Distributed profit/loss for the year		-1.074.732	-1.074.732
Equity at 30 September 2022	500.000	-2.369.885	-1.869.885

Notes

1. Going concern

The company's operations have resulted in a loss and the equity is lost because of this. In that connection initiatives have been initiated to balance the earnings including reduction of costs and increase the turnover. The prepared budgets for the financial years 2022/23 - 2024/25 therefore show a positive development.

In view of the above, the equity is expected to be reestablished in the coming financial year and the financial statement is therefore presented on a going concern basis.

We agree with the description of the uncertainties and management's assessment of going concern which is conditional on a positive fulfilment of the prepared budgets and the maintenance of the necessary credit facilities.

Please see the section "Significant uncertainty regarding going concern" in the independent auditor's report.

2. Uncertainty relating to recognition and measurement

A deferred tax asset of DKK 500,000 has been recognised in the balance sheet and equity, mainly related to the tax value of the unutilised tax losses. The value is conditional on the positive fulfilment of the prepared budgets for the financial years 2022/23 - 2024/25.

Please see the section "Uncertainties regarding recognition and measurement" in the management's review.

3. Special items

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
Compensations, national subsidy scheme COVID-19	0	390.091
Total	<u>0</u>	<u>390.091</u>

Special items is included in the income statement under gross profit.

Notes, continued

4. Staff costs

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
Wages and salaries	1.536.007	1.748.676
Pensions	198.278	137.243
Other social security costs	-38.723	31.013
Other staff cost	958.112	382.734
Total	<u>2.653.674</u>	<u>2.299.666</u>
Average number of full-time employees	<u>4</u>	<u>4</u>

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

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
Depreciation of property, plant and equipment	264.378	176.495
Total	<u>264.378</u>	<u>176.495</u>

6. Finance income

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
Financial income from group enterprises	0	5.654
Other financial income	19.118	17.571
Total	<u>19.118</u>	<u>23.225</u>

Notes, continued

7. Tax expense

	Deferred tax	Tax on profit/loss for the year	2020/21
	DKK	DKK	DKK
Payables at 1 October 2021	-203.588		
Tax on profit/loss for the year	-296.412	-296.412	355.730
Payables at 30 September 2022	-500.000		
Tax on profit/loss for the year recognised in the income statement		-296.412	355.730
<i>Recognition in balance sheet:</i>			
Short-term receivables (current asset)	-500.000		
Total	-500.000		

8. Property, plant and equipment

	Fixtures, fittings, tools and equipment	Total	2020/21
	DKK	DKK	DKK
Cost at 1 October 2021	737.171	737.171	1.448.109
Additions for the year	540.058	540.058	279.900
Disposals for the year	-209.955	-209.955	-990.838
Cost at 30 September 2022	1.067.274	1.067.274	737.171
Depreciation and impairment losses at 1 October 2021	-407.690	-407.690	-890.261
Depreciation for the year	-264.378	-264.378	-176.495
Reversal regarding disposals for the year	155.717	155.717	659.066
Depreciation and impairment losses at 30 September 2022	-516.351	-516.351	-407.690
Carrying amount at 30 September 2022	550.923	550.923	329.481
Selling price, disposals	52.000	52.000	163.100
Carrying amount, disposals	-54.238	-54.238	-331.772
Profit/loss on sale	-2.238	-2.238	-168.672

Notes, continued

9. Long-term liabilities

	<u>30/09-2022</u>	<u>30/09-2021</u>
	DKK	DKK
Liabilities in total:		
Other payables	134.799	231.558
Total	<u>134.799</u>	<u>231.558</u>

10. Assets charged and collateral

	<u>2021/22</u>	
	<u>Nominal value of the col- lateral/debt</u>	<u>Booked value of assets deposited as security</u>
	DKK	DKK
Floating charge registered to the mortgagor in intangible assets, inventories and trade receivables including other claims has been deposit as security for engagement with credit institution	6.000.000	6.270.897

11. Contingent assets

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
Unrecognised deferred tax assets due to tax losses carried forward and tax depreciation below accounting depreciation on fixtures, fittings, tools and equipment	1.166.081	1.166.000

12. Unrecognised contractual commitments

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
The company has entered into rental commitment regarding rent of premises. The total commitment represents	423.377	234.620
Total rental and lease obligations	<u>423.377</u>	<u>234.620</u>