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WENDELBO INTERIORS A/S
MOSEVEJ 20A, 8240 RISSKOV
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 27 June 2024**

Kristoffer Møller Pedersen

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 15 93 21 98

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COMPANY DETAILS

Company	Wendelbo Interiors A/S Mosevej 20A 8240 Risskov CVR No.: 15 93 21 98 Established: 30 January 1992 Municipality: Aarhus Financial Year: 1 January - 31 December
Board of Directors	Per Dollerup Mikkelsen, chairman Thomas Riis Kristoffer Møller Pedersen
Executive Board	Christian Ernemann Lars Wendelbo
Auditor	BDO Statsautoriseret revisionsaktieselskab Vestre Ringgade 28 8000 Aarhus C
Bank	Jyske Bank A/S

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Wendelbo Interiors A/S for the financial year 1 January - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

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

Århus C, 28 May 2024

Executive Board

Christian Ernemann

Lars Wendelbo

Board of Directors

Per Dollerup Mikkelsen
Chairman

Thomas Riis

Kristoffer Møller Pedersen

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Wendelbo Interiors A/S

Opinion

We have audited the Financial Statements of Wendelbo Interiors A/S for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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, disclosing, as applicable, matters related to going concern and 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.

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:

- 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.*

INDEPENDENT AUDITOR'S REPORT

- *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 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 Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, 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 Commentary and, in doing so, consider whether Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

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

Aarhus, 28 May 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Morten Trap Olesen
State Authorised Public Accountant
MNE no. mne35625

Jonas Lund Jacobsen
State Authorised Public Accountant
MNE no. mne46611

FINANCIAL HIGHLIGHTS

	2023 DKK '000	2022 DKK '000	2021 DKK '000	2020 DKK '000	2019 DKK '000
Income statement					
Gross profit/loss.....	22,163	19,896	20,494	17,041	19,795
Operating profit before depreciation and amortisation (EBITDA).....	4,429	-1,440	2,252	5,489	11,734
Operating profit of main activities.....	4,109	-1,814	1,893	5,296	11,545
Financial income and expenses, net.....	-2,812	-2,459	762	-1,956	41
Profit for the year before tax.....	1,297	-4,273	2,655	3,339	11,586
Profit for the year.....	986	-3,382	2,037	2,445	9,010
Balance sheet					
Total assets.....	50,764	61,420	60,931	51,355	31,771
Equity.....	22,578	21,591	11,974	14,937	17,492
Investment in property, plant and equipment.....	-59	-100	-237	-624	-154
Average number of full-time employees.....	20	24	22	20	15
Key ratios					
Return on invested capital.....	10.9	-3.8	4.3	20.8	79.6
Equity ratio.....	44.5	35.2	19.7	29.1	55.1
Return on equity.....	4.5	-20.2	15.1	15.1	69.4

The ratios stated in the list of key figures and ratios have been calculated as follows:

Invested capital:

Intangible fixed assets (ex goodwill) + tangible assets + inventories + receivables + other working current assets - trade payables - other provisions - other long and short term working liabilities

Return on invested capital:

$\frac{\text{Profit/loss on ordinary activities} \times 100}{\text{Average invested capital}}$

Equity ratio:

$\frac{\text{Equity ex. minorities, at year end} \times 100}{\text{Total equity and liabilities, at year end}}$

Return on equity:

$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

MANAGEMENT COMMENTARY

Principal activities

The company's activities are to purchase and sell furniture.

Development in activities and financial and economic position

In 2023, the company encountered a downturn in its operations compared to the previous year. This decline was primarily attributed to a widespread international reduction in sales within the furniture retail sector, stemming from geopolitical upheavals and subsequent spikes in inflation rates. Despite observing an increase in activities and sales within the contract/project market segment, this failed to counterbalance the decline experienced in the retail market. Consequently, the company incurred a financial profit of DKK ('000) 1,297 before taxes for the financial year 2023.

Profit/loss for the year compared to the expected development

In 2023, the company witnessed a decrease in turnover as compared to the previous year, with revenues failing to align with the management's projections for the entire year. The profit/loss for 2023 did not meet the anticipated outcomes, owing to reduced activities. There was an expectation of sustaining the same level of activity in 2023 as in 2022, with projected earnings of 8 - 11 million DKK before tax. However, due to a general international downturn in sales within the furniture retail market, prompted by geopolitical events and subsequent escalated inflation rates, neither the forecasted revenue nor the expected profit was realised.

Significant events after the end of the financial year

The company is not aware of any significant events after closing.

Financial risk

The nature of the company's operations, investments, and financial arrangements, expose the company to financial risks from fluctuations in foreign exchange rates and interest rate levels.

Currency risk

The international activities imply that the Group's financial results, cash flows and equity are exposed to fluctuations in various foreign currencies. The main exchange rate exposure relates to the purchase of goods in foreign currency, mainly USD. The exposure is mitigated by sales conducted in USD.

Interest rate risk

The company is exposed to interest risk because the company borrows funds at variable interest rates.

Credit Risk

The company has limited credit risk exposure to trade receivables as the company uses a credit insurance company to mitigate the credit risk.

Tax

As the company is part of a Group conducting business at multiple sites, the Group is exposed to potential tax and transfer pricing disputes with local tax authorities. The Group is committed to ensuring compliance with local tax laws and international transfer pricing regulations in the markets in which the Group operates.

Knowledge resources

The company aims consciously to employ highly qualified people, especially with high technical knowledge within the company's main activities.

Future expectations

Management's outlook for 2024 anticipates a modest increase in activities when compared to 2023. Profit expectations for 2024 are forecasted to be in the vicinity of 5 - 7 million DKK before tax. Additionally, the year 2024 will witness a strategic enhancement of the company's ERP system to ensure adherence to the Digital Bookkeeping Law. This upgrade represents a minor investment, and apart from this, there are no substantial investments anticipated for 2024 beyond those following normal operations.

MANAGEMENT COMMENTARY

Corporate social responsibility (CSR) report

At Wendelbo, we take our corporate commitments concerning the impact of actions and decisions very seriously and it is essential for us to continuously act and improve our efforts.

In 2023, one of our key initiatives was the establishment of the organisational framework for our ESG efforts. This involved forming a task force and implementing communication channels to ensure the development of holistic strategies that encompass all aspects of our company. This foundational work sets the stage for our ongoing commitment to ESG initiatives and underscores our dedication to integrating sustainability principles into every facet of our operations.

To ensure accountability, we have instituted five ESG commitments aligned with the UN Sustainable Development Goals (SDGs). Though the total list of SDGs spans an extensive range of global issues and concerns, Wendelbo has identified a line of priority areas that correspond to those goals related to the design business, namely Responsible Consumption and Production (No. 12), Decent Work and Economic Growth (No. 8), and Gender Equality (No. 5). Our ESG commitments are encapsulated in what we call the 5 C's: Conscious designs, Considered materials, Climate and CO2 transparency, Caring community, and Codes of conduct. These commitments outline tangible actions and objectives aimed at fostering sustainability and responsibility throughout our operations.

ENVIRONMENTAL EFFORTS

Throughout the year, we have strategically honed in on key ESG themes, specifically targeting environmental challenges. Our approach is divided into three dedicated commitments: Conscious Designs, Considered Materials, and Climate and CO2 Transparency.

Conscious Designs

Wendelbo works with subsidiary policies and goals concerning SDG No. 12 concerning Responsible Consumption and Production. Accordingly, we aim to bring enduring designs to the market - in terms of aesthetics, functionality, and quality.

Testing

We have relevant contract products undergo BIFMA testing to ensure the highest levels of strength and stability for commercial spaces.

Extended Warranty

To offer our customers complete peace of mind and to truly accentuate the durability, high quality, and workmanship of our designs, we offer an extended warranty against production and construction defects. A five-year warranty applies to all furniture in our collection.

Lifecycle Programme

In 2024, to extend the lifespan of our designs, we will launch a programme to educate our customers and partners on proper maintenance and care of our designs, as well as provide information about available spare parts and interchangeable covers.

Considered Materials

Aiming to challenge ourselves to make more sustainable choices in the design process and production, we carefully consider each component that goes into a design and the packaging surrounding it.

Packaging

At present, all our furniture packaging is crafted from 100% FSC®-certified cardboard, and our packaging materials contain a total of approximately 80% recycled content. Our ongoing efforts involve transitioning away from the use of PU-wrapping and Styrofoam in our packaging to achieve a complete transition by 2026.

Fabrics

We are committed to providing customers with environmentally conscious fabric choices by offering detailed information about fabric certifications. Presently, 58% of our fabric collection holds certifications such as EU Ecolabel, OEKO-TEX®, or both. We aim to increase this percentage to 80% by 2026.

MANAGEMENT COMMENTARY

Corporate social responsibility (CSR) report (continued)

Climate and CO2 Transparency

We are continuously working on our policies towards reducing our waste, our energy consumption and lowering our carbon footprint.

Operational CO2 emissions

We are currently conducting a thorough mapping of both our direct and indirect CO2 emissions to develop strategies for effectively reducing our carbon footprint.

Product CO2 emissions

In collaboration with Målbar, we launched a screening process in 2022 to meticulously track the components and origins of our products, enabling us to calculate the total CO2 emissions associated with each item. By integrating this tool into our operations and providing comprehensive staff training, we have successfully screened a total of 17 product families in 2023. Moving forward, our commitment extends to screening all product families by 2025, as part of our ongoing efforts to minimise emissions and eliminate toxic substances.

Renewable energy

All Danish offices and showrooms currently operate on 100% renewable energy. Additionally, our production facilities in Vietnam utilise solar panels to cover 70 - 80% of their energy needs. Our goal is to transition to 100% renewable energy at all facilities by 2030.

Waste handling and recycling

At Wendelbo, we prioritise waste sorting at all our facilities and have agreements with waste management authorities for responsible disposal and recycling of production waste, aiming to minimise environmental impact. We are currently laying the groundwork to gain an overview of all disposal and recycling processes. This is one of our main targets for 2024.

As a result of our environmental efforts, the Company has not identified any significant environmental risks.

SOCIAL EFFORTS

At Wendelbo, we continuously seek to improve our social and staff policies to protect labour rights and human rights and to create a safe and secure working environment for all employees in alignment with SDG No. 8, concerning Decent Work and Economic Growth.

Caring Community

BSCI Audit

While maintaining a safe and supportive work environment for all employees is paramount, we also prioritise adherence to external standards and criteria. To underscore our commitment to social responsibility, the production facilities in Vietnam have undergone rigorous BSCI audits to ensure compliance with industry best practices.

Inclusion of Minority Groups

We aim to introduce initiatives that will facilitate the employment of elderly and disadvantaged individuals at the production facilities by 2025.

Gender Equality

Wendelbo actively engages with policies aligned with SDG No. 5, focusing on Gender Equality.

Within the Group's other management tiers, which include executives and select department and team leaders, gender parity is currently achieved. The Group is committed to preserving this balance, with policies advocating for, where feasible, equal gender distribution at all levels of management.

No significant social risks have been detected concerning our social endeavors. Nonetheless, we recognise the complexities involved in quantifying the impact of our social policies, acknowledging that it is an ongoing effort.

MANAGEMENT COMMENTARY

Corporate social responsibility (CSR) report (continued)

GOVERNANCE EFFORTS

Codes of Conduct

We are dedicated to ensuring that Wendelbo's policies reflect our ethical and responsible business conduct that fully complies with all applicable rules, regulations, and laws. In addition to adhering to Danish laws and high standards, we follow regulations in the markets where we operate. We advocate for diversity, encourage transparency, and are strongly opposed to corruption in any form, including bribery and extortion.

BSCI Audit

The production facilities in Vietnam are annually BSCI-audited to offer full transparency of our ethical and responsible business conduct. By subjecting our production facilities to rigorous assessments, we have achieved a top rating in 2023, demonstrating our dedication to upholding industry best practices.

Whistle-blower Policy

Additionally, we have introduced a comprehensive whistle-blower policy across our facilities, both in Vietnam and Denmark. This initiative empowers employees to report any irregularities they may encounter, thereby promoting a culture of accountability and integrity. By encouraging open communication and transparency, we strengthen the governance framework of our company and ensure that ethical conduct remains a cornerstone of our operations.

Supplier Code of Conduct

Within our supply chain, we foster enduring relationships anchored in shared value creation, respect, and open dialogue. We hold ourselves accountable for our business practices and expect similar standards from our suppliers. To this end, we've established a Code of Conduct for all our supply chain partners, encompassing respect for labour laws, human rights, ethical behaviour, and environmental stewardship. Integral to this code are anti-corruption measures and the strict prohibition of child labour. We are committed to regularly encouraging our suppliers to endorse and adhere to our Code of Conduct.

MANAGEMENT COMMENTARY

Statutory Report on Data Ethics Policy

At Wendelbo, we uphold a stringent data policy that underscores our ethical commitment to handling data with integrity and transparency. In response to the increased focus on the safeguarding of personal data and data in general, Wendelbo has instituted a policy that ensures data is managed ethically—not merely in adherence with applicable laws but also in a manner that reflects our core moral values.

At Wendelbo, our data policy is anchored in three fundamental domains: the management of customer data, the optimisation of internal processes, and our conduct in relation to external entities.

Our customers have the right to request access to and gain insight into the data we collect on them, including our processing practices. Wendelbo is dedicated to the ongoing refinement of our informational framework to foster greater transparency for our customers and partners. To this end, we are attentive to the data we retain and the information we share with third parties, ensuring the distribution of only what is essential for the delivery of our products. Concurrently, we are proactive in deleting personal information and obsolete data. The overarching aim of our policy is to ascertain that Wendelbo maintains no more customer and partner data than is necessary.

Our employees bear a significant responsibility for upholding this trust and transparency. As such, we are committed to the continuous refinement of our internal data policies. Our goal is to guarantee that all team members adhere to a unified course of action and operate following the same ethical standards. To this end, we consistently provide our employees with training in GDPR to ensure our collective compliance and integrity in data management.

At Wendelbo, safeguarding our employees' private information is paramount, and we secure consent before sharing specific personal details, such as images on websites, which can be withdrawn at any instance. Every new member of our team is given a comprehensive orientation regarding our internal systems, along with an introduction to our data policy and the ethical framework guiding our operations. We strive for our moral code to be instinctively reflected in our corporate culture, transcending the formality of written documents.

We operate worldwide and are aware of our responsibilities according to our moral obligations in sharing the data we handle. We have signed data processor agreements with all relevant 3rd parties and our database is regularly updated with changes or when new agreements are being made.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK '000	2022 DKK '000
GROSS PROFIT		22,163	19,896
Staff costs.....	1	-17,734	-21,336
Depreciation, amortisation and impairment losses.....		-320	-374
OPERATING PROFIT		4,109	-1,814
Other financial income.....	2	43	3
Other financial expenses.....	3	-2,855	-2,462
PROFIT BEFORE TAX		1,297	-4,273
Tax on profit for the year.....	4	-311	891
PROFIT FOR THE YEAR	5	986	-3,382

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK '000	2022 DKK '000
Intangible fixed assets acquired.....		7	79
Intangible assets	6	7	79
Other plant, machinery tools and equipment.....		347	539
Property, plant and equipment	7	347	539
Rent deposit and other receivables.....		507	484
Financial non-current assets	8	507	484
NON-CURRENT ASSETS		861	1,102
Finished goods and goods for resale.....		11,423	15,480
Prepayments.....		15,560	23,838
Inventories		26,983	39,318
Trade receivables.....		8,741	7,091
Receivables from group enterprises.....		10,093	11,499
Deferred tax assets.....	9	5	836
Other receivables.....		384	295
Corporation tax receivable.....		0	91
Prepayments.....	10	568	1,113
Receivables		19,791	20,925
Cash and cash equivalents		3,129	75
CURRENT ASSETS		49,903	60,318
ASSETS		50,764	61,420

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2023 DKK '000	2022 DKK '000
Share Capital.....	11	500	500
Retained earnings.....		22,078	21,091
EQUITY.....		22,578	21,591
Bank loan.....		8,801	9,980
Frozen holiday pay.....		637	618
Non-current liabilities.....	12	9,438	10,598
Bank debt.....		4,444	11,031
Prepayments from customers.....		4,901	3,584
Trade payables.....		4,747	6,817
Debt to Group companies.....		2,408	6,055
Corporation tax payable.....		107	0
Other liabilities.....		2,141	1,744
Current liabilities.....		18,748	29,231
LIABILITIES.....		28,186	39,829
EQUITY AND LIABILITIES.....		50,764	61,420
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EQUITY

	Share Capital	Retained earnings	Total
Equity at 1 January 2023.....	500	21,092	21,592
Proposed profit allocation, according to note5.....		986	986
Equity at 31 December 2023	500	22,078	22,578

NOTES

	2023 DKK '000	2022 DKK '000	Note
Staff costs			1
Average number of full time employees	20	24	
Wages and salaries.....	14,980	18,246	
Pensions.....	1,707	1,840	
Social security costs.....	663	997	
Other staff costs.....	384	253	
	17,734	21,336	
Information regarding the management salaries has been withhold according to the exemption in The Danish Financial Statements Act § 98 b, act. 3 no. 2.			
Other financial income			2
Other interest income.....	43	3	
	43	3	
Other financial expenses			3
Group enterprises.....	453	1,452	
Other interest expenses.....	2,402	1,010	
	2,855	2,462	
Tax on profit for the year			4
Calculated tax on taxable income of the year.....	281	0	
Adjustment of tax in previous years.....	-801	0	
Adjustment of deferred tax.....	831	-891	
	311	-891	
Proposed distribution of profit			5
Retained earnings.....	986	-3,382	
	986	-3,382	
Intangible assets			6
		Intangible fixed assets acquired	
Cost at 1 January 2023.....		778	
Cost at 31 December 2023.....		778	
Amortisation at 1 January 2023.....		701	
Amortisation for the year.....		70	
Amortisation at 31 December 2023.....		771	
Carrying amount at 31 December 2023.....		7	

NOTES

		Note
Property, plant and equipment		7
	Other plant, machinery tools and equipment	
Cost at 1 January 2023.....	1,345	
Additions.....	59	
Disposals.....	-63	
Cost at 31 December 2023.....	1,341	
Depreciation and impairment losses at 1 January 2023.....	806	
Reversal of depreciation of assets disposed of.....	-40	
Depreciation for the year.....	228	
Depreciation and impairment losses at 31 December 2023.....	994	
Carrying amount at 31 December 2023.....	347	
 Financial non-current assets		 8
	Rent deposit and other receivables	
Cost at 1 January 2023.....	484	
Additions.....	23	
Cost at 31 December 2023.....	507	
Carrying amount at 31 December 2023.....	507	

NOTES

			Note
Deferred tax assets			9
Provision for deferred tax comprises deferred tax on inventory, intangible and tangible fixed assets and registration fee.			
	2023	2022	
	DKK '000	DKK '000	
Deferred tax			
Intangible fixed assets acquired.....	15	17	
Tangible fixed assets.....	5	24	
Registration fee.....	-25	0	
Remaining unused losses, during joint taxation.....	0	-877	
	-5	-836	
Deferred tax assets, beginning of year.....	836	-55	
Deferred tax of the year, income statement.....	-831	891	
Deferred tax assets 31 December 2023.....	5	836	
The company has a remaining unused loss, with a tax value of DKK ('000) 877, where DKK ('000) 801 is used in joint taxation and the rest is used in 2023.			
	2023	2022	
	DKK '000	DKK '000	
Prepayments			10
Insurances and prepaid cost.....	568	1,113	
	568	1,113	
Share Capital			11
Allocation of share capital:			
A-shares, 500,000 unit in the denomination of 1 DKK.....	500	500	
	500	500	
Long-term liabilities			12
	31/12 2023	Repayment	Debt
	total liabilities	next year	outstanding
			after 5 years
			total liabilities
Bank loan.....	13,245	4,444	0
Frozen holiday pay.....	637	0	637
	13,882	4,444	637
			13,931

NOTES

Note

Contingencies etc.

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The Company has made lease agreements with a total remaining payments of DKK ('000) 75, and an remaining lease period of 1-33 months.

The Company has made tenancy agreements with a notice period of 6 months, and a liability of DKK ('000) 839 in the notice period.

Joint liabilities

The company is jointly and severally liable together with the parent company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of MIE5 Holding 8 ApS, which serves as management company for the joint taxation.

Charges and securities

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As security for account with credit institution of DKK ('000) 13,245 a company charge has been given of DKK ('000) 10,000, pledged on intangible property rights, operating equipment, ordinary claims, inventory and receivables of a total carrying amount of;

	DKK '000
Intangible fixed assets acquired.....	7
Other plant, machinery tools and equipment.....	347
Inventories.....	26,983
Trade receivables.....	8,741

Related parties

15

The Company's related parties include:

Controlling interest

Wendelbo Møbel Design A/S, Mosevej 20A, 8240 Risskov.

Transactions with related parties

The company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

Consolidated Financial Statements

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The Company is included in the Consolidated Financial Statements of MIE5 Datterholding 8 ApS, Mosevej 20A, 8240 Risskov, CVR no. 40 21 63 24, and is also included in the Consolidated Financial Statements of MIE5 Holding 8 ApS, Gammeltovej 18, 1457 Copenhagen K, CVR no. 40 21 58 08, which is the Company's ultimate Parent Company.

ACCOUNTING POLICIES

The Annual Report of Wendelbo Interiors A/S for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Net revenue from sale of furnitures and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities, including recharging of payroll costs to Group companies.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

ACCOUNTING POLICIES

BALANCE SHEET

Intangible fixed assets

Software are measured at the lower of cost less accumulated amortisation and the recoverable amount. Software are amortised over 3 years.

Tangible fixed assets

Other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-down.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment.....	3-5 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Financial non-current assets

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

Impairment of fixed assets

The carrying amount of intangible and tangible fixed assets together with investments, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, write-down is provided to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Inventories

Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, write-down is provided to the lower value.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

ACCOUNTING POLICIES

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

CASH FLOW STATEMENT

With reference to section 86 of the Danish Financial Statements Act. 4, the company has chosen not to prepare a cash flow statement. A cash flow statement has been prepared for the group.