

Trimco Group (Denmark) A/S

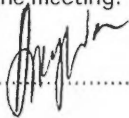
Rosenholmsvej 1-5, DK-7400 Herning

CVR no. 18 43 55 43

Annual report 2023

Approved at the Company's annual general meeting on 8 August 2024

Chair of the meeting:


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Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 January - 31 December	9
Income statement	9
Balance sheet	10
Statement of changes in equity	12
Notes to the financial statements	13

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Trimco Group (Denmark) A/S for the financial year 1 January - 31 December 2023.

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 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.

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

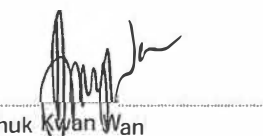
We recommend that the annual report be approved at the annual general meeting.

Herning, 8 August 2024
Executive Board:



Miranda Shui Yau Kong

Board of Directors:



Chuk Kwan Wan
Chairman

Miranda Shui Yau Kong

Patrick Kwing-Wai Ng

Independent auditor's report

To the shareholders of Trimco Group (Denmark) A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the 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.

We have audited the Financial Statements of Trimco Group (Denmark) A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("Financial Statements").

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' 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Financial 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.

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.

Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 the 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 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.

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

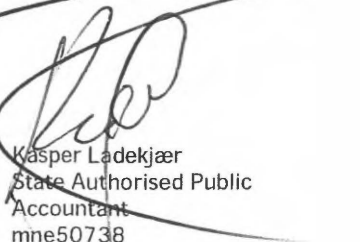
Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability 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 note 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.

Herning, 8 August 2024
PricewaterhouseCoopers
CVR no. 33 77 12 31


Kim Yørrøt
State Authorised Public
Accountant
mne33256


Kasper Ladekjær
State Authorised Public
Accountant
mne50738

Management's review

Company details

Name	Trimco Group (Denmark) A/S
Address, Postal code, City	Rosenholmsvej 1-5, DK-7400 Herning
CVR no.	18 43 55 43
Established	22 March 1995
Registered office	Herning
Financial year	1 January - 31 December
Website	www.trimco-group.com
Telephone	+45 96 29 00 00
Board of Directors	Chuk Kwan Wan, Chairman Miranda Shui Yau Kong Patrick Kwing-Wai Ng
Executive Board	Miranda Shui Yau Kong
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Platanvej 4, 7400 Herning

Management's review

Financial highlights

DKK'000	2023	2022	2021	2020	2019
Key figures					
Gross profit	73,366	70,577	59,237	60,190	57,631
Profit before interest and tax (EBIT)	13,502	12,182	8,651	12,456	8,459
Net financials	23,703	100,196	2,773	-11,403	658
Profit before tax	37,205	112,377	83,161	46,289	57,415
Profit for the year	32,399	99,870	73,505	40,343	49,369
Assets and liabilities					
Fixed assets	326,814	355,701	284,952	227,819	211,505
Non-fixed assets	154,207	187,393	167,244	143,275	133,509
Total assets	481,021	543,094	452,196	371,094	345,014
Equity	400,530	447,374	392,221	312,918	293,066
Non-current liabilities other than provisions	0	0	43	77	1,645
Current liabilities other than provisions	72,251	83,582	51,188	47,226	41,117
Financial ratios					
Equity ratio	83.3%	82.4%	86.7%	84.3%	84.9%
Return on equity	7.6%	23.8%	20.8%	13.3%	18.4%
Return on assets	2.8%	2.7%	1.9%	3.4%	2.5%
Average number of full-time employees					
Average number of full-time employees	104	98	82	255	260

For terms and definitions, please see the accounting policies.

Management's review

Business review

The main activity has as previous years been producing and trading in Brand identification accessories to the textile industry. Trimco Group (Denmark) A/S is one of the leading global suppliers of identity creating branding items – including labels, hang tags, badges, packaging solutions and store decorations for leading international fashion brands. We offer our customers innovative design and deliverance on time - as a result of effective and high quality logistic solutions. The products are sold in numerous countries, primarily to brand owners in Europe and US.

Trimco Group (Denmark) A/S is a part of TRIMCO Group, the global leader in supply chain traceability, data management, and RFID solutions, with comprehensive expertise in brand identity optimization for apparel and footwear brands worldwide. At Trimco Group, we are your brand guardian and trusted partner, supporting you with innovative and creative product designs and production techniques powered by deep expertise in data and technology. Our subject matter experts provide reliable advice on care label regulations and ESG compliance for international markets.

With our global production footprint, we strive to deliver a trouble-free supply chain for all our brand owners to meet quality, timeliness, and sustainability demands. Trimco Group entails the combined forces of the companies formerly known as A-TEX, CLOTEX, LABELON, and WAH LUNG, with more than 1,670 employees in 22 countries, serving more than 900 brands and 8,600 manufacturers worldwide.

Financial review

The Company's profit for the year ended at DKK 32.399k against DKK 99.870k in 2022. 2023 was a challenging year for the retail industry in general and many of our customers experienced declining sales and booming inventories. This decline in the market is the primary driver behind the drastic decrease in the Company's profit. On top of this, the subsidiary in Turkey became subject to the regulation on hyperinflationary accounting in 2023 which, in brief, resulted in a restatement of all the subsidiaries historical non-monetary transactions. This alone had a negative effect on the profit of DKK 13.031k in 2023.

All in all, the profit does not meet the expectations for the year.

A continued, intense focus on the sourcing and logistics set-up, has brought increased competitive advantage and has created a solid platform for future growth in both activity and earnings. To strengthen and to keep the Group's market position, there will be a continued focus on design, product development and IT systems, that support the Group's product- and logistics solutions. In addition the high focus on supplier management will continue as the CSR strategy is deeply integrated in the general business strategy.

Financial risks and use of financial instruments

Foreign exchange risks

Because of the activities abroad, the Group's transactions are affected by the development in a number of currencies. The foreign exchange risk is hedged through attempted disposition of purchases and sales in the same currency. No speculative currency dispositions has been made.

The Group follows a fiscal policy that operates with as low risk as possible.

Research and development activities

The Group doesn't undertake research or development, but there are however ongoing adjustments of the Group's product portfolio so it meets market requirements.

Impact on the external environment

We care about the environment and that is why we take our social and environmental responsibility seriously. It is a vital part of our DNA. Therefore, we offer a varied range of sustainable raw materials for all purposes.

Management's review

Events after the balance sheet date

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

Outlook

The retail market is expected to recover in 2024 compared to the challenging year 2023. As a result, the Company expects a substantial growth up to 50% in earnings in 2024 compared to 2023.

Factors of uncertainty to realize the expectations are related to the development in foreign exchange rate, inflation rates, logistics and supply disturbances, the outcome of the presidential election in USA, further the development in the situation in Ukraine and the uncertainty about local and global restrictions towards the future implications from COVID-19.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2023	2022
	Gross profit	73,366	70,577
2	Staff costs	-58,032	-56,442
3	Amortisation/depreciation of intangible assets and property, plant and equipment	-1,832	-1,954
	Profit before net financials	13,502	12,181
	Income from investments in group enterprises	34,240	101,116
4	Financial income	587	591
5	Financial expenses	-11,124	-1,511
	Profit before tax	37,205	112,377
6	Tax for the year	-4,806	-12,507
	Profit for the year	<u>32,399</u>	<u>99,870</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	ASSETS		
	Fixed assets		
8	Intangible assets		
	Completed development projects	6,388	4,258
		<u>6,388</u>	<u>4,258</u>
9	Property, plant and equipment		
	Land and buildings	29,881	29,942
	Plant and machinery	212	156
	Fixtures and fittings, other plant and equipment	858	1,348
	Property, plant and equipment under construction	24	58
		<u>30,975</u>	<u>31,504</u>
10	Investments		
	Investments in group enterprises	289,350	319,841
	Deposits	101	98
		<u>289,451</u>	<u>319,939</u>
	Total fixed assets	<u>326,814</u>	<u>355,701</u>
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	11,331	14,300
	Prepayments for goods	0	989
		<u>11,331</u>	<u>15,289</u>
	Receivables		
	Trade receivables	7,014	9,693
	Receivables from group enterprises	125,593	120,991
	Other receivables	960	1,198
11	Prepayments	1,424	1,803
		<u>134,991</u>	<u>133,685</u>
	Cash	7,885	38,419
	Total non-fixed assets	<u>154,207</u>	<u>187,393</u>
	TOTAL ASSETS	<u>481,021</u>	<u>543,094</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	1,100	1,100
	Net revaluation reserve according to the equity method	284,974	315,465
	Retained earnings	84,456	80,809
	Dividend proposed	30,000	50,000
	Total equity	400,530	447,374
	Provisions		
12	Deferred tax	8,240	12,138
	Total provisions	8,240	12,138
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Lease liabilities	0	45
	Prepayments received from customers	2,322	1,094
	Trade payables	6,067	5,586
	Payables to group enterprises	48,078	59,761
	Corporation tax payable	4,510	6,347
	Other payables	11,274	10,749
		72,251	83,582
	Total liabilities other than provisions	72,251	83,582
	TOTAL EQUITY AND LIABILITIES	481,021	543,094

- 1 Accounting policies
- 7 Appropriation of profit
- 13 Contractual obligations and contingencies, etc.
- 14 Security and collateral
- 15 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Dividend proposed	Total
	Equity at 1 January 2022	1,100	248,445	107,676	35,000	392,221
7	Transfer, see "Appropriation of profit"	0	101,116	-51,246	50,000	99,870
	Adjustment of investments through foreign exchange adjustments	0	-9,717	0	0	-9,717
	Distributed dividend from group enterprises	0	-24,379	24,379	0	0
	Dividend distributed	0	0	0	-35,000	-35,000
	Equity at 1 January 2023	1,100	315,465	80,809	50,000	447,374
7	Transfer, see "Appropriation of profit"	0	34,240	-31,841	30,000	32,399
	Adjustment of investments through foreign exchange adjustments	0	-29,243	0	0	-29,243
	Distributed dividend from group enterprises	0	-35,488	35,488	0	0
	Dividend distributed	0	0	0	-50,000	-50,000
	Equity at 31 December 2023	1,100	284,974	84,456	30,000	400,530

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Trimco Group (Denmark) A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

Pursuant to section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statements of Trimco Group (Denmark) A/S are included in the consolidated financial statements of TRIMCO GROUP HOLDINGS (UK) LIMITED, 1 Park Row, Leeds, LS15AB, United Kingdom, (reg. no. 05218660)

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flows are reflected in the consolidated cash flow statement.

Basis of recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortized cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales

Gross profit

The items revenue, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as administration expenses.

Staff costs

Staff expenses comprise wages and salaries as well as payroll expenses

Amortisation/depreciation

Amortisation, depreciation and impairment losses comprise amortization, depreciation and impairment of intangible assets and property, plant and equipment.

Profit/loss from investments in group entities

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

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year.

Tax

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

The Company is jointly taxed with Danish related companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Intangible assets

On initial recognition, intangible assets are measured at cost.

Development costs comprise costs, salaries and amortisation directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable, and where the technical feasibility, sufficient resources and a potential future market or development opportunities in the Company are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement when incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 3 years and is not to exceed 5 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Administration buildings	50 years
Plant and machinery	3-7 years
Other fixtures and fittings, tools and equipment	1-7 years
Leasehold improvements	2-7 years

Depreciation period and residual value are reassessed annually.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (Finance leases) are recognized in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalized and recognized in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognized in the income statements on a straight-line basis over the lease term.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Deposits

Deposits are recognised and measured at cost.

Investments in group entities

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries.

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

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortization and depreciation

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realizable value.

The net realizable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realizable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost of goods for resale, raw materials and consumables equals landed cost.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured in the balance sheet at the lower of amortized cost and net realizable 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 prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Proposed dividends

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realized, either by elimination in tax on future earnings or by setoff 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallize as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Other payables

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

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$
Return on assets	$\frac{\text{Profit before interest and tax} \times 100}{\text{Total assets}}$

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2023	2022
2 Staff costs		
Wages/salaries	53,021	51,765
Pensions	4,305	3,940
Other social security costs	706	737
	58,032	56,442
Average number of full-time employees	104	98
By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.		
3 Amortisation/depreciation of intangible assets and property, plant and equipment		
Amortisation of intangible assets	913	573
Depreciation of property, plant and equipment	919	1,381
	1,832	1,954
4 Financial income		
Other financial income	587	591
	587	591
5 Financial expenses		
Interest paid to group enterprises	1,179	657
Other financial expenses	9,945	854
	11,124	1,511
6 Tax for the year		
Estimated tax charge for the year	-206	1,821
Deferred tax adjustments in the year	-2,398	3,394
Tax adjustments, prior years	-23	0
Refund in joint taxation	7,433	7,292
	4,806	12,507

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2023	2022
7 Appropriation of profit		
Recommended appropriation of profit		
Proposed dividend recognised under equity	30,000	50,000
Net revaluation reserve according to the equity method	34,240	101,116
Retained earnings/accumulated loss	-31,841	-51,246
	<u>32,399</u>	<u>99,870</u>
8 Intangible assets		
DKK'000		Completed development projects
Cost at 1 January 2023		19,513
Additions		3,043
Cost at 31 December 2023		<u>22,556</u>
Impairment losses and amortisation at 1 January 2023		15,255
Amortisation for the year		913
Impairment losses and amortisation at 31 December 2023		<u>16,168</u>
Carrying amount at 31 December 2023		<u>6,388</u>
Amortised over		<u>3-5 years</u>

Completed development projects

'Completed development projects' relate to development of various IT software used by the Group, hereunder development of new ERP system and web ordering system. The projects are amortized over 3 years.

9 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Property, plant and equipment under construction	Total
Cost at 1 January 2023	34,357	777	10,993	58	46,185
Additions	218	203	147	96	664
Disposals	0	0	-1,836	-130	-1,966
Cost at 31 December 2023	<u>34,575</u>	<u>980</u>	<u>9,304</u>	<u>24</u>	<u>44,883</u>
Impairment losses and depreciation at 1 January 2023	4,415	621	9,645	0	14,681
Depreciation	279	147	493	0	919
Depreciation and impairment of disposals	0	0	-1,692	0	-1,692
Impairment losses and depreciation at 31 December 2023	<u>4,694</u>	<u>768</u>	<u>8,446</u>	<u>0</u>	<u>13,908</u>
Carrying amount at 31 December 2023	<u>29,881</u>	<u>212</u>	<u>858</u>	<u>24</u>	<u>30,975</u>
Depreciated over	<u>50 years</u>	<u>3-5 years</u>	<u>3-5 years</u>		

Financial statements 1 January - 31 December

Notes to the financial statements

10 Investments

DKK'000	Investments in group enterprises	Deposits	Total
Cost at 1 January 2023	4,376	98	4,474
Additions	0	3	3
Cost at 31 December 2023	4,376	101	4,477
Value adjustments at 1 January 2023	315,465	0	315,465
Foreign exchange adjustments	-29,243	0	-29,243
Dividend received	-35,488	0	-35,488
Profit/loss for the year	34,240	0	34,240
Value adjustments at 31 December 2023	284,974	0	284,974
Carrying amount at 31 December 2023	289,350	101	289,451

Group entities

Name	Domicile	Interest
Anpartsselskabet af 04.07.2012	Herning, Denmark	100.00%
A-TEX Bangladesh	Dhaka, Bangladesh	100.00%
A-TEX Dongguan	China, Dongguan	100.00%
Trimco Group (Ningbo) Company limited	China, Yu Yao	100.00%
Trimco Group (Germany) GmbH	Bochum, Germany	100.00%
Trimco Group Istanbul	Istanbul, Turkey	100.00%
Trimco Group Trading (Hong Kong)	Hong Kong	100.00%
Trimco Group US Inc.	New York, USA	100.00%
Trimco Group Delhi	Delhi, India	100.00%
Trimco Group (Netherlands)	Amsterdam, Holland	100.00%
Trimco Group (Sweden) AB	Borås, Sweden	100.00%
CLOTEX TRADING BD LTD.	Dhaka, Bangladesh	100.00%

11 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance and subscriptions.

DKK'000	2023	2022
12 Deferred tax		
Deferred tax at 1 January	12,138	8,744
Deferred tax change in profit and loss statement	-2,398	3,394
Other deferred tax	-1,500	0
Deferred tax at 31 December	8,240	12,138

Financial statements 1 January - 31 December

Notes to the financial statements

13 Contingent assets, liabilities and other financial obligations

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Trimco Group Holdings (Denmark) A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Other financial obligations

Other rent and lease liabilities:

DKK'000		<u>2023</u>	<u>2022</u>
Rent and lease liabilities		<u>1,067</u>	<u>1,572</u>
DKK'000	2023	<u>2022</u>	<u>Total</u>
Within 1 year	801	898	1,699
Between 1 and 5 years	<u>266</u>	<u>674</u>	<u>940</u>
	<u>1,067</u>	<u>1,572</u>	<u>2,639</u>

14 Security and collateral

Bank deposits of total kDKK 7,860 with Svenska Handelsbanken AB have been placed as security for the Group's total debt with CTBC Bank co. LTD.

Financial statements 1 January - 31 December

Notes to the financial statements

15 Related parties

Trimco Group (Denmark) A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Trimco Group Holdings (Denmark) A/S	Rosenholmsvej 1-5, DK-7400 Herning, Denmark	owns 100% of shares in Trimco Group (Denmark) A/S
Brookfield Asset Management Inc.	Brookfield Place 181 Bay Street, Suite 100 Bay Wellington Tower Toronto, Canada	Ultimate owner

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
TRIMCO GROUP HOLDINGS (UK) LIMITED	1 Park Row, Leeds, LS1 5AB, United Kingdom	United Kingdom company registration number: 05218660
Brookfield Asset Management Inc.	Brookfield Place 181 Bay Street, Suite 100 Bay Wellington Tower Toronto, Canada	Ultimate owner

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

