

Witre Danmark A/S

Hjulmagervej 8D
7100 Vejle

CVR no. 18 99 47 98

Annual report 2019/20

The annual report was presented and approved at the
Company's annual general meeting on

19 March 2021

Pierre-Olivier Brial
chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Witre Danmark A/S for the financial year 1 October 2019 – 30 September 2020.

The annual report has been prepared 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 30 September 2020 and of the results of the Company's operations for the financial year 1 October 2019 – 30 September 2020.

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.

Vejle, 19 March 2021
Executive Board:

Etienne Rene Jacques de
Terrasson de Montleau

Board of Directors:

Pierre-Olivier Brial
Chairman

Xavier Emmanuel Guichard

Etienne Rene Jacques de
Terrasson de Montleau

Independent auditor's report

To the shareholder of Witre Danmark A/S

Opinion

We have audited the financial statements of Witre Danmark A/S for the financial year 1 October 2019 – 30 September 2020 comprising income statement, balance sheet and notes, including 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 Company's assets, liabilities and financial position at 30 September 2020 and of the results of the Company's operations for the financial year 1 October 2019 – 30 September 2020 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' 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 rules and requirements.

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

Management's responsibility 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 that 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 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.

Independent auditor's report

- 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 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 the Management's review

Based on the work we have performed, we conclude that the 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 of the Management's review.

Aarhus, 19 March 2021

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Michael E. K. Rasmussen
State Authorised
Public Accountant
mne41364

Witre Danmark A/S
Annual report 2019/20
CVR no. 18 99 47 98

Management's review

Company details

Witre Danmark A/S
Hjulgagervej 8D
7100 Vejle

Telephone:	75 50 00 50
Fax:	75 50 03 10
Website:	www.witre.dk

CVR no.:	18 99 47 98
Established:	1 November 1995
Financial year:	1 October – 30 September

Board of Directors

Pierre-Olivier Brial, Chairman
Xavier Emmanuel Guichard
Etienne Rene Jacques de Terrasson de Montleau

Executive Board

Etienne Rene Jacques de Terrasson de Montleau

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Bredskifte Allé 13
DK-8210 Aarhus V

Management's review

Operating review

Principal activities

The Company's principal activity is to engage in trading activities, selling furniture, office supplies and other equipment, etc. to companies and institutions.

Development in activities and financial position

The Company's income statement for 2019/20 shows a profit of DKK 114,223 as against a loss of DKK 907,289 in 2018/19. Equity in the Company's balance sheet at 30 September 2020 stood at DKK 4,074,490 as against DKK 3,960,267 at 30 September 2019.

2019/20 has not been significantly affected by the outbreak of COVID-19.

Events after the balance sheet date

During the second part of February Manutan Group and their subsidiaries, were hit by a cyber-attack, a so called ransomware attack.

For two weeks Manutan had to work on securing IT-systems, recovering data and informing stakeholders. The effect in our company is a two week shut-down of local systems and incoming/outgoing orders. There were no evidence of any data leakage from the systems concerning our company.

We see no long-term effect on our business thanks to the good relationship with our customers and partners. The company believe the lost turnover short-term will be partially off-set with an increasing demand of our products going forward.

Financial statements 1 October – 30 September

Income statement

DKK	Note	2019/20	2018/19
Gross profit		7,951,109	10,301,893
Distribution costs	2	-3,598,163	-6,450,377
Administrative expenses	2	-4,185,556	-4,973,604
Profit/loss before financial income and expenses		167,390	-1,122,088
Other financial income		5,105	8,211
Other financial expenses		-25,201	-47,148
Profit/loss before tax		147,294	-1,161,025
Tax on profit/loss for the year	3	-33,071	253,736
Profit/loss for the year		114,223	-907,289
Proposed profit appropriation/distribution of loss			
Retained earnings		114,223	-907,289

Financial statements 1 October – 30 September

Balance sheet

DKK	Note	2019/20	2018/19
ASSETS			
Fixed assets			
Property, plant and equipment	4		
Fixtures and fittings, tools and equipment		0	1,500
Investments			
Deposits		81,250	81,250
Total fixed assets		81,250	82,750
Current assets			
Receivables			
Trade receivables		3,481,088	4,720,249
Deferred tax asset		504,705	537,776
Prepayments		177,247	77,323
		4,163,040	5,335,348
Cash at bank and in hand		4,044,506	2,661,547
Total current assets		8,207,546	7,996,895
TOTAL ASSETS		8,288,796	8,079,645

Financial statements 1 October – 30 September

Balance sheet

DKK	Note	2019/20	2018/19
EQUITY AND LIABILITIES			
Equity			
Contributed capital		1,000,000	1,000,000
Retained earnings		<u>3,074,490</u>	<u>2,960,267</u>
Total equity		<u>4,074,490</u>	<u>3,960,267</u>
Liabilities			
Current liabilities			
Trade payables		734,560	602,108
Payables to group entities		1,925,561	880,266
Other payables		<u>1,554,185</u>	<u>2,637,004</u>
		<u>4,214,306</u>	<u>4,119,378</u>
Total liabilities		<u>4,214,306</u>	<u>4,119,378</u>
TOTAL EQUITY AND LIABILITIES		<u><u>8,288,796</u></u>	<u><u>8,079,645</u></u>

Financial statements 1 October – 30 September

Notes

1 Accounting policies

The annual report of Witre Danmark A/S for 2019/20 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

A few restatements have been made of the comparative figures as a result of reclassifications.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ® 2020.

Production costs

Production costs comprise costs, including depreciation, wages and salaries, incurred to generate revenue for the year.

Distribution costs

Distribution costs comprise costs incurred to distribute goods sold during the year and to conduct sales campaigns, etc., including costs relating to sales staff, advertising and exhibitions as well as depreciation.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for expenses for administrative staff, office premises, office expenses and depreciation.

Financial statements 1 October – 30 September

Notes

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses comprise interest income and expense, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Financial statements 1 October – 30 September

Notes

1 Accounting policies (continued)

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments and deferred income

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Liabilities comprise trade payables, payables to group entities and other payables and are measured at net realisable value.

Financial statements 1 October – 30 September

Notes

	DKK	2019/20	2018/19
2 Staff costs			
Wages and salaries		702,185	3,004,394
Pensions		101,240	219,905
Other social security costs		5,573	41,011
		<u>808,998</u>	<u>3,265,310</u>
Average number of full-time employees		<u>1</u>	<u>5</u>
3 Tax on profit/loss for the year			
Deferred tax for the year		<u>33,071</u>	<u>-253,736</u>
4 Property, plant and equipment			
DKK			Fixtures and fittings, tools and equipment
Cost at 1 October 2019			<u>473,333</u>
Cost at 30 September 2020			<u>473,333</u>
Depreciation and impairment losses at 1 October 2019			0
Depreciation for the year			<u>-473,333</u>
Depreciation and impairment losses at 30 September 2020			<u>-473,333</u>
Carrying amount at 30 September 2020			<u>0</u>
5 Contractual obligations, contingencies, etc.			
Operating lease obligations			
The Company has entered into a lease agreement with a remaining term of six months and an average monthly lease payment of DKK 16 thousand, totalling DKK 97 thousand.			

Financial statements 1 October – 30 September

Notes

6 Related party disclosures

Witre Danmark A/S related parties comprise the following:

Control

Witre AB, Argongatan 5, SE-431 24 Mölndal.

Witre Danmark A/S is part of the consolidated financial statements of Witre AB, which is the smallest group, in which the Company is included as a subsidiary.

The consolidated financial statements of Witre AB can be obtained by contacting the company at the address above.