



Troelstrup A/S

Vester Voldgade 5
1552 København V
CVR No. 21144797

Annual report 01.12.2021 - 30.11.2022

The Annual General Meeting adopted the
annual report on 17.02.2023

Claus Frederiksen
Conductor

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Entity details

Entity

Troelstrup A/S
Vester Voldgade 5
1552 København V

Business Registration No.: 21144797
Registered office: Copenhagen
Financial year: 01.12.2021 - 30.11.2022

Board of Directors

Anne-Sofie Skov Frederiksen, Chairman of the Board
Cathrine Frederiksen
Claus Frederiksen

Executive Board

Claus Frederiksen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Troelstrup A/S for the financial year 01.12.2021 - 30.11.2022.

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 Entity's financial position at 30.11.2022 and of the results of its operations for the financial year 01.12.2021 - 30.11.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

København, 17.02.2023

Executive Board

Claus Frederiksen
CEO

Board of Directors

Anne-Sofie Skov Frederiksen
Chairman of the Board

Cathrine Frederiksen

Claus Frederiksen

Independent auditor's extended review report

To the shareholders of Troelstrup A/S

Conclusion

We have performed an extended review of the financial statements of Troelstrup A/S for the financial year 01.12.2021 - 30.11.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.11.2022 and of the results of its operations for the financial year 01.12.2021 - 30.11.2022 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of Management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our conclusion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with 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 commentary.

København, 17.02.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Claus Jorch Andersen

State Authorised Public Accountant
Identification No (MNE) mne33712

Management commentary

Primary activities

The company operates in menswear's retail business, including formal and casual wear and men's shoes.

The retail store on Vester Voldgade 5 in the center of Copenhagen consists of 4 floors spread over 1100 m² (11.840 ft²). The store's webshop, troelstrup.com, is operated from the same building. In addition, the stock and retail/financial management is located at the same address. The building that houses the entire Troelstrup operation consists of 6 floors over 1700 m² (18.298 ft²).

This financial year is the first year since Covid-19 with no lockdowns during all 12 months.

It is Troelstrup's 3rd year, where the store's assortment has been solely focussed on menswear and this year is the first year with 12 month's of continues open store with menswear.

It has been a very turbulent year from week to week and things have been very difficult to predict. With Russia's invasion of Ukraine, inflation has increased to unseen levels, interest rates are rising and the consumer confidence has dropped to the lowest level for 40 years.

Looking at the whole financial year Troelstrup has reached sales and profit targets set for the year. The financial year's result was a profit of 1.466.269 DKK, after which the equity amounts to 10.385.380 DKK. The positive result has been achieved by an increase in sales and gross margins.

Management considers Troelstrup's financial performance for the year satisfactory.

The first two months December and January of the financial 2022/23 has provided a god start with growth in sales and gross margins.

Management expects to further consolidate the business throughout 2023 and thereby achieve a moderate financial result fuelled by continued investments in development in brand selection, marketing, the store's webshop and financial management systems.

Events after the balance sheet date

No events that would influence this annual report's evaluation have occurred after the balance sheet date to this date.

Income statement for 2021/22

	Notes	2021/22 DKK	2020/21 DKK
Gross profit/loss	1	10,195,283	10,750,258
Staff costs	2	(7,599,378)	(7,450,956)
Depreciation, amortisation and impairment losses	3	(611,394)	(565,090)
Operating profit/loss		1,984,511	2,734,212
Other financial income	4	101,341	51,929
Other financial expenses	5	(200,728)	(212,534)
Profit/loss before tax		1,885,124	2,573,607
Tax on profit/loss for the year	6	(418,855)	(567,596)
Profit/loss for the year		1,466,269	2,006,011
Proposed distribution of profit and loss			
Retained earnings		1,466,269	2,006,011
Proposed distribution of profit and loss		1,466,269	2,006,011

Balance sheet at 30.11.2022

Assets

	Notes	2021/22 DKK	2020/21 DKK
Completed development projects	8	305,193	231,527
Development projects in progress	8	0	122,500
Intangible assets	7	305,193	354,027
Other fixtures and fittings, tools and equipment		264,212	489,087
Leasehold improvements		306,910	354,059
Property, plant and equipment	9	571,122	843,146
Deposits		1,451,950	1,409,833
Financial assets	10	1,451,950	1,409,833
Fixed assets		2,328,265	2,607,006
Manufactured goods and goods for resale		12,478,846	10,101,674
Inventories		12,478,846	10,101,674
Trade receivables		469,832	705,066
Receivables from group enterprises		1,457,028	1,000,924
Deferred tax		708,292	1,127,147
Other receivables		271,629	194,303
Prepayments		377,908	370,951
Receivables		3,284,689	3,398,391
Cash		633,201	3,731,624
Current assets		16,396,736	17,231,689
Assets		18,725,001	19,838,695

Equity and liabilities

	Notes	2021/22 DKK	2020/21 DKK
Contributed capital	11	1,000,000	1,000,000
Reserve for development expenditure		238,051	275,937
Retained earnings		9,147,329	7,643,174
Equity		10,385,380	8,919,111
Other payables		778,892	762,871
Non-current liabilities other than provisions	12	778,892	762,871
Prepayments received from customers		15,650	20,880
Trade payables		1,177,145	1,076,108
Payables to owners and management		37,864	37,864
Other payables	13	6,330,070	9,021,861
Current liabilities other than provisions		7,560,729	10,156,713
Liabilities other than provisions		8,339,621	10,919,584
Equity and liabilities		18,725,001	19,838,695
Unrecognised rental and lease commitments	14		
Contingent liabilities	15		
Assets charged and collateral	16		
Related parties with controlling interest	17		

Statement of changes in equity for 2021/22

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,000,000	275,937	7,643,174	8,919,111
Transfer to reserves	0	(37,886)	37,886	0
Profit/loss for the year	0	0	1,466,269	1,466,269
Equity end of year	1,000,000	238,051	9,147,329	10,385,380

Notes

1 Gross profit/loss

The Company have because of COVID-19 received wage compensation of DKK 0 in 2021/22 (DKK 536,991 in 2020/21) and fixed cost compensation DKK 0 in 2021/22 (DKK 938,615 in 2020/21) from the Danish Business Authority which is included in the gross profit.

2 Staff costs

	2021/22	2020/21
	DKK	DKK
Wages and salaries	7,245,588	7,030,870
Pension costs	437,571	462,254
Other social security costs	133,268	120,182
Other staff costs	(217,049)	(162,350)
	7,599,378	7,450,956
Average number of full-time employees	19	19

3 Depreciation, amortisation and impairment losses

	2021/22	2020/21
	DKK	DKK
Amortisation of intangible assets	197,084	135,519
Depreciation of property, plant and equipment	414,310	429,571
	611,394	565,090

4 Other financial income

	2021/22	2020/21
	DKK	DKK
Financial income from group enterprises	39,702	26,787
Exchange rate adjustments	61,639	25,142
	101,341	51,929

5 Other financial expenses

	2021/22	2020/21
	DKK	DKK
Other interest expenses	124,258	151,168
Exchange rate adjustments	189	468
Other financial expenses	76,281	60,898
	200,728	212,534

6 Tax on profit/loss for the year

	2021/22	2020/21
	DKK	DKK
Change in deferred tax	418,855	567,596
	418,855	567,596

7 Intangible assets

	Completed development projects DKK	Development projects in progress DKK
Cost beginning of year	466,810	122,500
Transfers	270,750	(270,750)
Additions	0	148,250
Disposals	(93,288)	0
Cost end of year	644,272	0
Amortisation and impairment losses beginning of year	(235,283)	0
Amortisation for the year	(197,084)	0
Reversal regarding disposals	93,288	0
Amortisation and impairment losses end of year	(339,079)	0
Carrying amount end of year	305,193	0

8 Development projects

Development projects in progress and completed development projects consist of external system developer expenses of the company's web shop.

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	2,798,471	3,172,665
Additions	11,560	130,726
Disposals	(20,360)	(24,041)
Cost end of year	2,789,671	3,279,350
Depreciation and impairment losses beginning of year	(2,309,384)	(2,818,606)
Depreciation for the year	(236,435)	(177,875)
Reversal regarding disposals	20,360	24,041
Depreciation and impairment losses end of year	(2,525,459)	(2,972,440)
Carrying amount end of year	264,212	306,910

10 Financial assets

	Deposits DKK
Cost beginning of year	1,409,833
Additions	42,117
Cost end of year	1,451,950
Carrying amount end of year	1,451,950

11 Share capital

	Number	Nominal value DKK	Recorded par value DKK
Ordinary shares	1,000	1,000	1,000,000
	1,000	1,000	1,000,000

12 Non-current liabilities other than provisions

	Due after more than 12 months 2021/22 DKK
Other payables	778,892
	778,892

Non-current liabilities consists of frozen holiday pay which is not planned to be paid to the Holiday Allowance Fund.

13 Other payables

	2021/22 DKK	2020/21 DKK
VAT and duties	2,110,951	2,814,552
Wages and salaries, personal income taxes, social security costs, etc. payable	194,320	400,217
Holiday pay obligation	286,000	230,000
Other costs payable	3,738,799	5,577,092
	6,330,070	9,021,861

14 Unrecognised rental and lease commitments

	2021/22 DKK	2020/21 DKK
Liabilities under rental or lease agreements until maturity in total	1,446,799	1,350,252
Of this, liabilities under rental or lease agreements with group enterprises	1,446,799	1,350,252

15 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where C. Frederiksen Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

16 Assets charged and collateral

The Entity does not have any assets charged and collateral per 30 November 2022.

17 Related parties with controlling interest

C. Frederiksen Holding ApS, Vester Voldgade 5, 1552 København V, owns all shares in the Entity and have controlling influence.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for

premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc comprise development projects completed.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot

be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 3 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Plant and machinery, and other fixtures and fittings are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

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

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the weighted average prices method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at

their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.