

## **POMPdeLUX ApS**

Omega 7  
8382 Hinnerup  
Central Business Registration  
No 29622035

## **Annual report 01.07.2018 - 30.06.2019**

The Annual General Meeting adopted the annual report on 28.10.2019

### **Chairman of the General Meeting**

---

Name: Marianne Hoffmann Dyrbøl

## Contents

	<b><u>Page</u></b>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Consolidated income statement for 2018/19	8
Consolidated balance sheet at 30.06.2019	9
Consolidated statement of changes in equity for 2018/19	11
Consolidated cash flow statement for 2018/19	12
Notes to consolidated financial statements	13
Parent income statement for 2018/19	17
Parent balance sheet at 30.06.2019	18
Parent statement of changes in equity for 2018/19	20
Notes to parent financial statements	21
Accounting policies	25

## Entity details

### Entity

POMPdeLUX ApS

Omega 7

8382 Hinnerup

Central Business Registration No (CVR): 29622035

Registered in: Favrskov

Financial year: 01.07.2018 - 30.06.2019

Phone: 86787871

Website: [www.pompdelux.com](http://www.pompdelux.com)

### Executive Board

Marianne Hoffmann Dyrbøl

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

## Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of POMPdeLUX ApS for the financial year 01.07.2018 - 30.06.2019.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2019 and of the results of its operations and cash flows for the financial year 01.07.2018 - 30.06.2019.

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

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

Aarhus, 28.10.2019

### Executive Board

Marianne Hoffmann Dyrbøl

## Independent auditor's report

### To the shareholder of POMPdeLUX ApS

#### Opinion

We have audited the consolidated financial statements and the parent financial statements of POMPdeLUX ApS for the financial year 01.07.2018 - 30.06.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.06.2019, and of the results of their operations and the consolidated cash flows for the financial year 01.07.2018 - 30.06.2019 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 consolidated financial statements and the parent financial statements section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Parent's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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

## Independent auditor's report

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 consolidated financial statements and these parent 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 consolidated financial statements and the parent 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 Group's and the Parent'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 consolidated financial statements and the parent 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 Group's and the Parent'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

## Independent auditor's report

### Statement on the management commentary

Management is responsible for the management commentary.

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

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit 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 the consolidated financial statements and the parent 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.

Aarhus, 28.10.2019

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR) 33963556

Klaus Tvede-Jensen  
State Authorised Public Accountant  
Identification No (MNE) mne23304

## Management commentary

	<b>2018/19</b> <b>DKK'000</b>	<b>2017/18</b> <b>DKK'000</b>	<b>2016/17</b> <b>DKK'000</b>	<b>2015/16</b> <b>DKK'000</b>	<b>2014/15</b> <b>DKK'000</b>
<b>Financial highlights</b>					
<b>Key figures</b>					
Gross profit	47,996	52,650	64,940	52,298	76,980
Operating profit/loss	11,746	8,550	22,677	11,909	30,722
Net financials	(1,088)	(943)	(885)	(359)	(1,350)
Profit/loss for the year	8,353	5,706	16,728	8,547	22,444
Total assets	52,090	55,383	61,389	75,801	59,151
Investments in property, plant and equipment	878	1,583	388	2,088	859
Equity	21,819	23,530	29,361	23,196	34,856
<b>Ratios</b>					
Return on equity (%)	36.8	21.6	63.7	29.4	75.9
Equity ratio (%)	41.9	42.5	47.8	30.6	58.9

Financial highlights are defined and calculated in accordance with the latest version of "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

<b>Ratios</b>	<b>Calculation formula</b>	<b>Calculation formula reflects</b>
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.



## Management commentary

### Primary activities

The primary activities of the Group are design of and trade in childrens wear.

### Development in activities and finances

Management finds the annual results for 2018/19 acceptable in relation to the industry and the conditions in the various markets.

During the financial year we continued to invest in further development of the new webshop to strengthen our digital business.

In relation to ongoing investments and implemented optimizations management expects a small increase in profit for the next financial year.

### Outlook

As a result of the ongoing relocation and the implementation of new initiatives, Management has scaled down its expectations for the next financial year to this year's level.

### Particular risks

The Group is exposed particularly to fluctuations in foreign currencies. Management is aware of the exposure and follows developments in foreign exchange rates on an ongoing basis.

### Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## Consolidated income statement for 2018/19

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
<b>Gross profit</b>		<b>47,996,308</b>	<b>52,649,522</b>
Staff costs	1	(32,195,804)	(38,814,061)
Depreciation, amortisation and impairment losses	2	(4,054,799)	(5,285,711)
<b>Operating profit/loss</b>		<b>11,745,705</b>	<b>8,549,750</b>
Other financial income		406,519	1,137,145
Other financial expenses	3	(1,494,320)	(2,079,894)
<b>Profit/loss before tax</b>		<b>10,657,904</b>	<b>7,607,001</b>
Tax on profit/loss for the year	4	(2,304,932)	(1,901,132)
<b>Profit/loss for the year</b>	5	<b>8,352,972</b>	<b>5,705,869</b>

## Consolidated balance sheet at 30.06.2019

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Acquired rights		3,999,711	6,091,794
<b>Intangible assets</b>	6	<b>3,999,711</b>	<b>6,091,794</b>
Other fixtures and fittings, tools and equipment		1,584,685	1,978,379
Leasehold improvements		524,718	133,789
<b>Property, plant and equipment</b>	7	<b>2,109,403</b>	<b>2,112,168</b>
Other receivables		2,734,299	1,825,799
<b>Fixed asset investments</b>	8	<b>2,734,299</b>	<b>1,825,799</b>
<b>Fixed assets</b>		<b>8,843,413</b>	<b>10,029,761</b>
Manufactured goods and goods for resale		19,817,714	25,802,397
<b>Inventories</b>		<b>19,817,714</b>	<b>25,802,397</b>
Trade receivables		5,021,377	7,103,856
Receivables from group enterprises		824,122	0
Other receivables		684,747	211,941
Income tax receivable		241,014	0
Prepayments	9	953,525	1,656,870
<b>Receivables</b>		<b>7,724,785</b>	<b>8,972,667</b>
<b>Cash</b>		<b>15,703,678</b>	<b>10,578,075</b>
<b>Current assets</b>		<b>43,246,177</b>	<b>45,353,139</b>
<b>Assets</b>		<b>52,089,590</b>	<b>55,382,900</b>

## Consolidated balance sheet at 30.06.2019

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Contributed capital		125,000	125,000
Retained earnings		21,694,213	23,405,195
<b>Equity</b>		<b>21,819,213</b>	<b>23,530,195</b>
Deferred tax	10	783,000	1,248,305
<b>Provisions</b>		<b>783,000</b>	<b>1,248,305</b>
Bank loans		23,376	5,602,794
Trade payables		14,672,652	11,221,371
Payables to group enterprises		1,446,357	3,051,208
Income tax payable		406,327	705,473
Joint taxation contribution payable		1,931,136	630,571
Other payables		11,007,529	9,392,983
<b>Current liabilities other than provisions</b>		<b>29,487,377</b>	<b>30,604,400</b>
<b>Liabilities other than provisions</b>		<b>29,487,377</b>	<b>30,604,400</b>
<b>Equity and liabilities</b>		<b>52,089,590</b>	<b>55,382,900</b>
Unrecognised rental and lease commitments	12		
Assets charged and collateral	13		
Transactions with related parties	14		
Group relations	15		
Subsidiaries	16		

## Consolidated statement of changes in equity for 2018/19

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Proposed extraordinary dividend DKK</b>	<b>Total DKK</b>
Equity beginning of year	125,000	23,405,195	0	23,530,195
Extraordinary dividend paid	0	0	(10,000,000)	(10,000,000)
Exchange rate adjustments	0	(63,954)	0	(63,954)
Profit/loss for the year	0	(1,647,028)	10,000,000	8,352,972
<b>Equity end of year</b>	<b>125,000</b>	<b>21,694,213</b>	<b>0</b>	<b>21,819,213</b>

## Consolidated cash flow statement for 2018/19

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Operating profit/loss		11,745,705	8,549,750
Amortisation, depreciation and impairment losses		4,054,799	5,285,711
Working capital changes	11	10,934,555	(11,848,370)
Other adjustments		(63,954)	(427,075)
<b>Cash flow from ordinary operating activities</b>		<b>26,671,105</b>	<b>1,560,016</b>
Financial income received		406,519	1,137,145
Financial expenses paid		(1,494,320)	(2,079,894)
Income taxes refunded/(paid)		(2,009,832)	(4,478,396)
<b>Cash flows from operating activities</b>		<b>23,573,472</b>	<b>(3,861,129)</b>
Acquisition etc of intangible assets		(1,130,651)	(2,972,287)
Acquisition etc of property, plant and equipment		(878,381)	(1,583,387)
Sale of property, plant and equipment		49,081	302,000
Acquisition of fixed asset investments		(908,500)	(1,817,000)
<b>Cash flows from investing activities</b>		<b>(2,868,451)</b>	<b>(6,070,674)</b>
Dividend paid		(10,000,000)	(11,500,000)
<b>Cash flows from financing activities</b>		<b>(10,000,000)</b>	<b>(11,500,000)</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>10,705,021</b>	<b>(21,431,803)</b>
Cash and cash equivalents beginning of year		4,975,281	26,407,084
<b>Cash and cash equivalents end of year</b>		<b>15,680,302</b>	<b>4,975,281</b>
Cash and cash equivalents at year-end are composed of:			
Cash		15,703,678	10,578,075
Short-term debt to banks		(23,376)	(5,602,794)
<b>Cash and cash equivalents end of year</b>		<b>15,680,302</b>	<b>4,975,281</b>

## Notes to consolidated financial statements

	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>1. Staff costs</b>		
Wages and salaries	28,154,537	34,392,510
Pension costs	3,051,468	3,774,792
Other social security costs	659,698	646,759
Other staff costs	330,101	0
	<b>32,195,804</b>	<b>38,814,061</b>
Average number of employees	<b>78</b>	<b>85</b>
Referring to § 98b of the Danish Financial Statement Act, disclosures on managements remuneration have been omitted.		
	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>2. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	3,222,734	2,970,441
Depreciation of property, plant and equipment	798,053	2,147,488
Profit/loss from sale of intangible assets and property, plant and equipment	34,012	167,782
	<b>4,054,799</b>	<b>5,285,711</b>
	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>3. Other financial expenses</b>		
Financial expenses from group enterprises	93,164	23,088
Other interest expenses	1,401,156	2,056,806
	<b>1,494,320</b>	<b>2,079,894</b>
	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>4. Tax on profit/loss for the year</b>		
Current tax	2,793,482	1,972,553
Change in deferred tax	(465,305)	(71,421)
Adjustment concerning previous years	(23,245)	0
	<b>2,304,932</b>	<b>1,901,132</b>
	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>5. Proposed distribution of profit/loss</b>		
Extraordinary dividend distributed in the financial year	10,000,000	11,500,000
Retained earnings	(1,647,028)	(5,794,131)
	<b>8,352,972</b>	<b>5,705,869</b>

## Notes to consolidated financial statements

		<b>Acquired rights DKK</b>
		<u>DKK</u>
<b>6. Intangible assets</b>		
Cost beginning of year		25,408,731
Additions		1,130,651
<b>Cost end of year</b>		<b><u>26,539,382</u></b>
Amortisation and impairment losses beginning of year		(19,316,937)
Amortisation for the year		(3,222,734)
<b>Amortisation and impairment losses end of year</b>		<b><u>(22,539,671)</u></b>
<b>Carrying amount end of year</b>		<b><u>3,999,711</u></b>
	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improve- ments DKK</b>
	<u>DKK</u>	<u>DKK</u>
<b>7. Property, plant and equipment</b>		
Cost beginning of year	6,854,066	136,058
Additions	379,123	499,258
Disposals	(715,158)	0
<b>Cost end of year</b>	<b><u>6,518,031</u></b>	<b><u>635,316</u></b>
Depreciation and impairment losses beginning of year	(4,875,688)	(2,269)
Depreciation for the year	(689,724)	(108,329)
Reversal regarding disposals	632,066	0
<b>Depreciation and impairment losses end of year</b>	<b><u>(4,933,346)</u></b>	<b><u>(110,598)</u></b>
<b>Carrying amount end of year</b>	<b><u>1,584,685</u></b>	<b><u>524,718</u></b>
		<b>Other receivables DKK</b>
		<u>DKK</u>
<b>8. Fixed asset investments</b>		
Cost beginning of year		1,825,799
Additions		908,500
<b>Cost end of year</b>		<b><u>2,734,299</u></b>
<b>Carrying amount end of year</b>		<b><u>2,734,299</u></b>



## Notes to consolidated financial statements

### 9. Prepayments

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

	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>10. Deferred tax</b>		
Intangible assets	880,000	1,320,000
Property, plant and equipment	(97,000)	(71,695)
	<b>783,000</b>	<b>1,248,305</b>
<b>Changes during the year</b>		
Beginning of year	1,248,305	
Recognised in the income statement	(465,305)	
<b>End of year</b>	<b>783,000</b>	

	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>11. Change in working capital</b>		
Increase/decrease in inventories	5,984,683	(6,548,331)
Increase/decrease in receivables	1,488,896	(2,489,607)
Increase/decrease in trade payables etc	3,460,976	(2,810,432)
	<b>10,934,555</b>	<b>(11,848,370)</b>

	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>12. Unrecognised rental and lease commitments</b>		
Liabilities under rental or lease agreements until maturity in total	<b>26,141,573</b>	<b>30,764,997</b>

Of the total unrecognised rental and lease commitments rental agreements amounts to DKK 25,846k (2017/18: DKK 30,147k) and lease agreements amounts to DKK 296k (2017/18: DKK 618k).

### 13. Assets charged and collateral

The Company has provided a floating charge to Nordea Bank Danmark A/S of DKK 15,000k. The floating charge is granted on unsecured claims arising from sale of goods and services, inventories, operating equipment as well as intellectual property rights.

The carrying amount is per 30.06.2019 DKK 26,180k.

POMPdeLUX Outlet ApS has provided a guarantee to Ringsted Outlet Center P/S of DKK 181k and POMPdeLUX ApS has provided a guarantee to Toldstyrelsen of DKK 1,200k.

## Notes to consolidated financial statements

### 14. Transactions with related parties

Only transactions with related parties that are not carried out at market terms are disclosed in the annual report. No such transactions have been performed in the financial year.

### 15. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
MH Holding Sabro ApS, Aarhus.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
MH Holding Sabro ApS, Aarhus.

	Registered in	Corpo- rate form	Equity inte- rest %
<b>16. Subsidiaries</b>			
POMPdeLUX NO AS	Oslo	AS	100.0
POMPdeLUX Sverige AB	Malmö	AB	100.0
POMPdeLUX FI Oy	Helsinki	Oy	100.0
POMPdeLUX NL B.V	Eindhoven	B.V	100.0
POPMPdeLUX DE GmbH	Hamburg	GmbH	100.0
POMPdeLUX A GmbH	Wien	GmbH	100.0
POMPdeLUX CH GmbH	Zürich	GmbH	100.0
POMPdeLUX Outlet ApS	Favrskov	ApS	100.0

## Parent income statement for 2018/19

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
<b>Gross profit</b>		<b>38,491,247</b>	<b>43,472,371</b>
Staff costs	1	(29,711,188)	(36,292,255)
Depreciation, amortisation and impairment losses	2	(4,054,799)	(5,285,711)
<b>Operating profit/loss</b>		<b>4,725,260</b>	<b>1,894,405</b>
Income from investments in group enterprises		5,597,830	5,833,519
Other financial income	3	164,054	98,644
Other financial expenses	4	(1,243,224)	(1,914,438)
<b>Profit/loss before tax</b>		<b>9,243,920</b>	<b>5,912,130</b>
Tax on profit/loss for the year	5	(890,948)	(206,261)
<b>Profit/loss for the year</b>	6	<b>8,352,972</b>	<b>5,705,869</b>

## Parent balance sheet at 30.06.2019

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Acquired rights		3,999,711	6,091,794
<b>Intangible assets</b>	7	<b>3,999,711</b>	<b>6,091,794</b>
Other fixtures and fittings, tools and equipment		1,584,686	1,978,379
Leasehold improvements		524,718	133,789
<b>Property, plant and equipment</b>	8	<b>2,109,404</b>	<b>2,112,168</b>
Investments in group enterprises		13,688,785	13,209,559
Other receivables		2,725,500	1,817,000
<b>Fixed asset investments</b>	9	<b>16,414,285</b>	<b>15,026,559</b>
<b>Fixed assets</b>		<b>22,523,400</b>	<b>23,230,521</b>
Manufactured goods and goods for resale		19,461,114	25,225,397
<b>Inventories</b>		<b>19,461,114</b>	<b>25,225,397</b>
Trade receivables		1,134,606	1,144,553
Receivables from group enterprises		4,603,393	1,710,980
Other receivables		226,573	143,235
Prepayments	10	832,717	1,530,536
<b>Receivables</b>		<b>6,797,289</b>	<b>4,529,304</b>
<b>Cash</b>		<b>2,740,678</b>	<b>345,504</b>
<b>Current assets</b>		<b>28,999,081</b>	<b>30,100,205</b>
<b>Assets</b>		<b>51,522,481</b>	<b>53,330,726</b>

## Parent balance sheet at 30.06.2019

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Contributed capital		125,000	125,000
Reserve for net revaluation according to the equity method		12,930,928	12,451,702
Retained earnings		8,763,285	10,953,493
<b>Equity</b>		<b>21,819,213</b>	<b>23,530,195</b>
Deferred tax	11	783,000	1,250,000
<b>Provisions</b>		<b>783,000</b>	<b>1,250,000</b>
Bank loans		23,376	5,602,794
Trade payables		12,444,913	9,449,294
Payables to group enterprises		9,043,235	7,910,894
Joint taxation contribution payable		1,357,948	276,261
Other payables		6,050,796	5,311,288
<b>Current liabilities other than provisions</b>		<b>28,920,268</b>	<b>28,550,531</b>
<b>Liabilities other than provisions</b>		<b>28,920,268</b>	<b>28,550,531</b>
<b>Equity and liabilities</b>		<b>51,522,481</b>	<b>53,330,726</b>
Unrecognised rental and lease commitments	12		
Contingent liabilities	13		
Assets charged and collateral	14		
Related parties with controlling interest	15		
Transactions with related parties	16		

## Parent statement of changes in equity for 2018/19

	<b>Contributed capital DKK</b>	<b>Reserve for net revaluation according to the equity method DKK</b>	<b>Retained earnings DKK</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Equity beginning of year	125,000	12,451,702	10,953,493
Extraordinary dividend paid	0	0	0
Exchange rate adjustments	0	(63,954)	0
Profit/loss for the year	<u>0</u>	<u>543,180</u>	<u>(2,190,208)</u>
<b>Equity end of year</b>	<b><u>125,000</u></b>	<b><u>12,930,928</u></b>	<b><u>8,763,285</u></b>
		<b>Proposed extraordinary dividend DKK</b>	<b>Total DKK</b>
		<u>                    </u>	<u>                    </u>
Equity beginning of year		0	23,530,195
Extraordinary dividend paid		(10,000,000)	(10,000,000)
Exchange rate adjustments		0	(63,954)
Profit/loss for the year		<u>10,000,000</u>	<u>8,352,972</u>
<b>Equity end of year</b>		<b><u>0</u></b>	<b><u>21,819,213</u></b>

## Notes to parent financial statements

	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>1. Staff costs</b>		
Wages and salaries	26,070,030	32,252,692
Pension costs	3,011,346	3,424,190
Other social security costs	629,812	615,373
	<b>29,711,188</b>	<b>36,292,255</b>
Average number of employees	<b>70</b>	<b>77</b>
Referring to § 98b of the Danish Financial Statement Act, disclosures on managements remuneration have been omitted.		
	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>2. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	3,222,734	2,970,441
Depreciation of property, plant and equipment	798,053	2,147,488
Profit/loss from sale of intangible assets and property, plant and equipment	34,012	167,782
	<b>4,054,799</b>	<b>5,285,711</b>
	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>3. Other financial income</b>		
Financial income arising from group enterprises	163,994	93,253
Other interest income	60	5,391
	<b>164,054</b>	<b>98,644</b>
	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>4. Other financial expenses</b>		
Financial expenses from group enterprises	553,845	447,533
Other interest expenses	577,314	412,807
Exchange rate adjustments	77,337	1,040,621
Other financial expenses	34,728	13,477
	<b>1,243,224</b>	<b>1,914,438</b>
	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>5. Tax on profit/loss for the year</b>		
Current tax	1,357,948	276,261
Change in deferred tax	(467,000)	(70,000)
	<b>890,948</b>	<b>206,261</b>

## Notes to parent financial statements

	<b>2018/19</b>	<b>2017/18</b>
	<b>DKK</b>	<b>DKK</b>
<b>6. Proposed distribution of profit/loss</b>		
Extraordinary dividend distributed in the financial year	10,000,000	11,500,000
Retained earnings	(1,647,028)	(5,794,131)
	<b>8,352,972</b>	<b>5,705,869</b>
		<b>Acquired rights</b>
		<b>DKK</b>
<b>7. Intangible assets</b>		
Cost beginning of year		25,408,731
Additions		1,130,651
<b>Cost end of year</b>		<b>26,539,382</b>
Amortisation and impairment losses beginning of year		(19,316,937)
Amortisation for the year		(3,222,734)
<b>Amortisation and impairment losses end of year</b>		<b>(22,539,671)</b>
<b>Carrying amount end of year</b>		<b>3,999,711</b>
	<b>Other fixtures and fittings, tools and equipment</b>	<b>Leasehold improvements</b>
	<b>DKK</b>	<b>DKK</b>
<b>8. Property, plant and equipment</b>		
Cost beginning of year	6,854,067	136,057
Additions	379,123	499,258
Disposals	(715,158)	0
<b>Cost end of year</b>	<b>6,518,032</b>	<b>635,315</b>
Depreciation and impairment losses beginning of year	(4,875,688)	(2,268)
Depreciation for the year	(689,724)	(108,329)
Reversal regarding disposals	632,066	0
<b>Depreciation and impairment losses end of year</b>	<b>(4,933,346)</b>	<b>(110,597)</b>
<b>Carrying amount end of year</b>	<b>1,584,686</b>	<b>524,718</b>



## Notes to parent financial statements

	<b>Investments in group enterprises DKK</b>	<b>Other receivables DKK</b>
<b>9. Fixed asset investments</b>		
Cost beginning of year	757,857	1,817,000
Additions	0	908,500
<b>Cost end of year</b>	<b>757,857</b>	<b>2,725,500</b>
Revaluations beginning of year	12,451,702	0
Exchange rate adjustments	(63,954)	0
Share of profit/loss for the year	5,559,287	0
Dividend	(4,575,103)	0
Other adjustments	(441,004)	0
<b>Revaluations end of year</b>	<b>12,930,928</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>13,688,785</b>	<b>2,725,500</b>

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

### 10. Prepayments

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

	<b>2018/19 DKK</b>	<b>2017/18 DKK</b>
<b>11. Deferred tax</b>		
Intangible assets	880,000	1,340,000
Property, plant and equipment	(97,000)	(90,000)
	<b>783,000</b>	<b>1,250,000</b>
<b>Changes during the year</b>		
Beginning of year	1,250,000	
Recognised in the income statement	(467,000)	
<b>End of year</b>	<b>783,000</b>	
<b>12. Unrecognised rental and lease commitments</b>		
Liabilities under rental or lease agreements until maturity in total	<b>26,001,573</b>	<b>30,464,463</b>

## Notes to parent financial statements

Of the total unrecognised rental and lease commitments rental agreements amounts to DKK 25,706k (2017/18: DKK: 29,846k) and lease agreements amounts to DKK 296k (2017/18: DKK 618k).

### 13. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where MH Holding Sabro 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.

### 14. Assets charged and collateral

The Company has provided a floating charge to Nordea Bank Danmark A/S of DKK 15,000k. The floating charge is granted on unsecured claims arising from sale of goods and services, inventories, operating equipment as well as intellectual property rights.

The carrying amount is per 30.06.2019 DKK 26,180k.

POMPdeLUX ApS has provided a guarantee to Toldstyrelsen of DKK 1,200k.

### 15. Related parties with controlling interest

Marianne Hoffmann Dyrbøl, Risskov, owns all shares in the company and thus has a controlling interest on this.

### 16. Transactions with related parties

Only transactions with related parties that are not carried out at market terms are disclosed in the annual report. No such transactions have been performed in the financial year.

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent 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.

### Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

### Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

## Accounting policies

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in equity.

### Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

### Income statement

#### Gross profit or loss

Gross profit or loss comprises revenue, cost of raw materials and consumables and external expenses.

#### Revenue

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

#### Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

#### 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.

## Accounting policies

### Staff costs

Staff costs comprise salaries and wages as well as 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, as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

### Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

### Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets as well as 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, payables and transactions in foreign currencies, amortisation of financial liabilities as well as 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 the Parent and all the Parents other Danish subsidiaries. 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 acquired intellectual property rights.

The cost of acquired intellectual rights comprises cost, including external fees that are directly and indirectly attributable to the intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Straight-line-amortisation is made on the basis of the estimated useful lives of each asset which are 3 – 5 years.

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

## Accounting policies

### Property, plant and equipment

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

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:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	3 - 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.

### Investments in group enterprises

In the parent financial statements, investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unrealised intra-group profits and losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

### Receivables

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

## Accounting policies

### Inventories

Inventories are measured at the lower of cost using the FIFO 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.

### Prepayments

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

### Cash

Cash comprises cash in hand and bank deposits.

### 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 or the planned settlement of each liability.

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.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

### Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

### Other financial liabilities

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

### Income tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

### Joint taxation contributions receivable or payable

Current joint taxation contributions receivable or joint taxation payable is recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

## Accounting policies

### Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as payment of dividend.

Cash and cash equivalents comprise cash with an insignificant price risk less short-term bank loans.