
Gudrun Sjödén ApS

Fiolstræde 5, DK-1171 København K

Annual Report for 1 January - 31 December 2019

CVR No 29 93 06 86

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
9 /3 2020

Gudrun Sjöden
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Gudrun Sjödén ApS for the financial year 1 January - 31 December 2019.

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 at 31 December 2019 of the Company and of the results of the Company operations for 2019.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 9 March 2020

Executive Board

Gudrun Sjödén

Board of Directors

Gudrun Sjödén
Chairman

Anna Katarina Sjödén

Independent Auditor's Report

To the Shareholder of Gudrun Sjødén ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Gudrun Sjødén ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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 Financials 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 misstate-

Independent Auditor's Report

ment, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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 disclosures, and whether the Financial Statements represent the underlying transactions and events

Independent Auditor's Report

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.

Hellerup, 9 March 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Maj-Britt Nørskov Nannestad

statsautoriseret revisor

mne32198

Company Information

The Company

Gudrun Sjödén ApS
Fiolstræde 5
DK-1171 København K

Telephone: + 45 33 13 44 99
Website: www.gudrunsjoden.com

CVR No: 29 93 06 86
Financial period: 1 January - 31 December
Municipality of reg. office: København

Board of Directors

Gudrun Sjödén, Chairman
Anna Katarina Sjödén

Executive Board

Gudrun Sjödén

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Financial Statements of Gudrun Sjödén ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

Key activities

Gudrun Sjödén ApS sells and markets women's wear and furnishing fabrics in the Danish market. Sales are effected from the Company's own shop, by mail order sales and via the internet. The Company's sells clothes made of natural materials that can be combined in many ways in a simple functional design with a Nordic touch for women of all ages and sizes. The range of furnishing fabrics is characterised by the same unique design - a range of harmonious custom-made fabrics in colours of a unique Nordic design. Clothes and fabrics are designed by the Swedish Gudrun Sjödén Design AB.

Development in the year

The income statement of the Company for 2019 shows a profit of DKK 562,728, and at 31 December 2019 the balance sheet of the Company shows equity of DKK 2,191,580.

Subsequent events

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

Income Statement 1 January - 31 December

	Note	2019 DKK	2018 DKK
Gross profit/loss		3.761.707	3.936.431
Staff expenses	1	-2.592.479	-2.716.565
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-128.540	-218.808
Resultat før finansielle poster		1.040.688	1.001.058
Financial income	2	14.446	33.217
Financial expenses		-319.255	-271.403
Resultat før skat		735.879	762.872
Tax on profit/loss for the year	3	-173.151	-168.098
Net profit/loss for the year		562.728	594.774

Distribution of profit

Proposed distribution of profit

Retained earnings	562.728	594.774
	562.728	594.774

Balance Sheet 31 December

Assets

	Note	2019 DKK	2018 DKK
Other fixtures and fittings, tools and equipment		62.766	98.196
Leasehold improvements		0	93.109
Tangible assets	4	62.766	191.305
Fixed assets		62.766	191.305
Stocks		528.068	413.865
Trade receivables		1.103.280	499.857
Receivables from group enterprises		1.114.130	0
Other receivables		5.000	5.045
Deferred tax asset		10.356	4.251
Prepayments		427.179	773.018
Receivables		2.659.945	1.282.171
Cash at bank and in hand		5.207.586	3.727.170
Currents assets		8.395.599	5.423.206
Assets		8.458.365	5.614.511

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2019</u> DKK	<u>2018</u> DKK
Share capital		125.000	125.000
Retained earnings		<u>2.066.580</u>	<u>1.503.852</u>
Equity		<u>2.191.580</u>	<u>1.628.852</u>
Trade payables		98.371	147.450
Payables to group enterprises		3.335.616	1.351.421
Corporation tax		42.411	42.257
Other payables		<u>2.790.387</u>	<u>2.444.531</u>
		<u>6.266.785</u>	<u>3.985.659</u>
Debt		<u>6.266.785</u>	<u>3.985.659</u>
Liabilities and equity		<u>8.458.365</u>	<u>5.614.511</u>
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Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	125.000	1.503.852	1.628.852
Net profit/loss for the year	0	562.728	562.728
Equity at 31 December	125.000	2.066.580	2.191.580

Notes to the Financial Statements

	2019	2018
	DKK	DKK
1 Staff expenses		
Wages and salaries	2.360.714	2.457.082
Pensions	145.270	201.339
Other social security expenses	50.139	41.872
Other staff expenses	36.356	16.272
	<u>2.592.479</u>	<u>2.716.565</u>
Average number of employees	<u>10</u>	<u>10</u>
2 Financial income		
Interest received from group enterprises	0	3.708
Other financial income	14.446	29.509
	<u>14.446</u>	<u>33.217</u>
3 Tax on profit/loss for the year		
Current tax for the year	179.256	172.986
Deferred tax for the year	-6.105	-4.888
	<u>173.151</u>	<u>168.098</u>

Notes to the Financial Statements

4 Tangible assets

	Other fixtures and fittings, tools and equipment <u>DKK</u>	Leasehold improvements <u>DKK</u>
Cost at 1 January	431.231	817.307
Cost at 31 December	<u>431.231</u>	<u>817.307</u>
Impairment losses and depreciation at 1 January	333.034	724.198
Depreciation for the year	<u>35.431</u>	<u>93.109</u>
Impairment losses and depreciation at 31 December	<u>368.465</u>	<u>817.307</u>
Carrying amount at 31 December	<u>62.766</u>	<u>0</u>
Depreciated over	<u>3 - 7 years</u>	<u>5 years</u>
	<u>2019</u> DKK	<u>2018</u> DKK

5 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	965.082	1.148.000
Between 1 and 5 years	<u>0</u>	<u>574.000</u>
	<u>965.082</u>	<u>1.722.000</u>

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Gudrun Sjødén ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2019 are presented in DKK.

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 amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, 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.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences 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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

6 Accounting Policies (continued)

Income Statement

Revenue

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.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

6 Accounting Policies (continued)

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in 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.

Balance Sheet

Tangible assets

Tangible assets 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:

Other fixtures and fittings, tools and equipment	3 - 7 years
Leasehold improvements	5 years

Depreciation period and residual value are reassessed annually.

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 amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Notes to the Financial Statements

6 Accounting Policies (continued)

Stocks

Stocks are measured at the lower of cost under the FIFO method and net realisable value.

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

The cost of goods for resale equals landed cost.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred 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 are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

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.

Notes to the Financial Statements

6 Accounting Policies (continued)

Financial debts

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