

Gudrun Sjödén ApS
Fiolstræde 5, 1171 København K

Annual report
2023

Company reg. no. 29 93 06 86

The annual report was submitted and approved by the general meeting on the 21 March 2024.

Gudrun Sjödén
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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Management's statement

Today, the board of directors and the managing director have presented the annual report of Gudrun Sjøden ApS for the financial year 2023.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2023 and of the company's results of activities in the financial year 1 January - 31 December 2023.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 21 March 2024

Managing Director

Gudrun Sjøden

Board of directors

Gudrun Sjøden
Chairman

Anna Katarina Sjøden

Independent auditor's report

To the Shareholders of Gudrun Sjødén ApS

Opinion

We have audited the financial statements of Gudrun Sjødén ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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' 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the 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 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.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 21 March 2024

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Chris Winther Bjørholm Dyhr
State Authorised Public Accountant
mne34473

Company information

The company	Gudrun Sjödén ApS Fiolstræde 5 1171 København K Company reg. no. 29 93 06 86 Financial year: 1 January - 31 December
Board of directors	Gudrun Sjödén, Chairman Anna Katarina Sjödén
Managing Director	Gudrun Sjödén
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø
Parent company	Gudrun Sjödén Group AB

Management´s review

The principal activities of the company

Gudrun Sjöden 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 Sjöden Design AB.

Development in activities and financial matters

The gross profit for the year totals DKK 3.287.367 against DKK 3.519.994 last year. Income or loss from ordinary activities after tax totals DKK 508.427 against DKK 617.038 last year. Management considers the net profit or loss for the year satisfactory.

Accounting policies

The annual report for Gudrun Sjødén ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Accounting policies

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses comprise interest income and expenses and realised and unrealised capital gains.

Tax on net profit or loss for the year

Tax for the year comprises the current the share attributable to the net profit or loss for the year and directly in equity with the share attributincome tax for the year and changes in deferred tax and is recognised in the income statement withable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

Useful life

Accounting policies

Other fixtures and fittings, tools and equipment 3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from sub-suppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value.

Accounting policies

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	3.287.367	3.519.994
2 Staff costs	-2.290.102	-2.314.304
Depreciation and impairment of property, land, and equipment	<u>-12.273</u>	<u>-26.128</u>
Operating profit	984.992	1.179.562
3 Other financial income	58.503	82.482
4 Other financial costs	<u>-382.213</u>	<u>-454.119</u>
Pre-tax net profit or loss	661.282	807.925
5 Tax on net profit or loss for the year	<u>-152.855</u>	<u>-190.887</u>
Net profit or loss for the year	<u>508.427</u>	<u>617.038</u>
Proposed distribution of net profit:		
Transferred to retained earnings	<u>508.427</u>	<u>617.038</u>
Total allocations and transfers	<u>508.427</u>	<u>617.038</u>

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
6 Other fixtures, fittings, tools and equipment	36.255	48.527
Total property, plant, and equipment	36.255	48.527
Total non-current assets	36.255	48.527
Current assets		
Manufactured goods and goods for resale	508.526	665.074
Total inventories	508.526	665.074
Trade receivables	314.586	795.023
Deferred tax assets	26.641	20.414
Other receivables	173.645	136.711
Prepayments	389.400	498.833
Total receivables	904.272	1.450.981
Cash on hand and demand deposits	5.536.914	3.353.597
Total current assets	6.949.712	5.469.652
Total assets	6.985.967	5.518.179

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	125.000	125.000
Retained earnings	1.818.859	1.310.432
Total equity	1.943.859	1.435.432
Liabilities other than provisions		
Trade payables	55.000	118.151
Payables to group enterprises	2.460.436	1.218.377
Income tax payable	79.082	114.832
Other payables	2.447.590	2.631.387
Total short term liabilities other than provisions	5.042.108	4.082.747
Total liabilities other than provisions	5.042.108	4.082.747
Total equity and liabilities	6.985.967	5.518.179

7 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2022	125.000	693.394	2.500.000	3.318.394
Distributed dividend	0	0	-2.500.000	-2.500.000
Profit or loss for the year brought forward	0	617.038	0	617.038
Equity 1 January 2022	125.000	1.310.432	0	1.435.432
Profit or loss for the year brought forward	0	508.427	0	508.427
	125.000	1.818.859	0	1.943.859

Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Wages and salaries	2.061.096	2.102.606
Changes in holiday pay obligations, production wages	39.693	38.930
Pension, others	154.605	129.379
The Danish Labour Market Supplementary Pension Scheme	34.708	43.389
	<u>2.290.102</u>	<u>2.314.304</u>
2. Staff costs		
Salaries and wages	2.100.789	2.141.536
Pension costs	154.605	129.379
Other costs for social security	34.708	43.389
	<u>2.290.102</u>	<u>2.314.304</u>
Average number of employees	<u>5</u>	<u>5</u>
3. Other financial income		
Interest, trade debtors	29.598	41.635
Exchange differences	28.905	40.847
	<u>58.503</u>	<u>82.482</u>
4. Other financial costs		
Financial costs	382.213	454.119
	<u>382.213</u>	<u>454.119</u>
5. Tax on net profit or loss for the year		
Tax of the results for the year, parent company	159.082	198.301
Adjustment for the year of deferred tax	-6.227	-7.414
	<u>152.855</u>	<u>190.887</u>

Notes

All amounts in DKK.

	<u>31/12 2023</u>	<u>31/12 2022</u>
6. Other fixtures, fittings, tools and equipment		
Cost 1 January 2023	484.287	431.231
Additions during the year	<u>0</u>	<u>53.056</u>
Cost 31 December 2023	<u>484.287</u>	<u>484.287</u>
Depreciation and write-down 1 January 2023	-435.760	-409.632
Depreciation for the year	<u>-12.272</u>	<u>-26.128</u>
Depreciation and write-down 31 December 2023	<u>-448.032</u>	<u>-435.760</u>
Carrying amount, 31 December 2023	<u>36.255</u>	<u>48.527</u>
7. Contingencies		
Contingent liabilities		
		DKK in thousands
Lease liabilities		<u>922</u>
Total contingent liabilities		<u>922</u>