

Gerry Weber Denmark ApS

Center Boulevard 5

2300 Copenhagen

CVR No. 31635985

Annual Report

1 January 2020 - 31 December 2020

14. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 23 June 2021

Mark Florian Frank
Chairman

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Gerry Weber Denmark ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of Gerry Weber Denmark ApS for the financial year 1 January 2020 - 31 December 2020.

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 assets, liabilities and financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January 2020 - 31 December 2020.

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

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

Copenhagen, 23 June 2021

Executive Board

Mark Florian Frank
Director

Independent Auditors' Report

To the shareholders of Gerry Weber Denmark ApS

Opinion

We have audited the financial statements of Gerry Weber Denmark ApS for the financial year 1 January 2020 - 31 December 2020, which comprise an income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2020 and of the results of its operations for the financial year 1 January 2020 - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in our auditors' report under "Auditors' responsibility for the audit of the financial statements". As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, 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.

Material uncertainty related to going concern

We draw attention to note 1 to the financial statements, where it is among other things stated that the company is dependent on financial support of liquid assets from the parent company. Further that the parent company Gerry Weber International AG is still having significant economic challenges after filing for insolvency in 2019 and following waiver of composition from creditors, and the activities of the Group are materially affected by the COVID-19 Pandemic due to close down of stores etc. and the full effect on the Gerry Weber Groups activities are not yet known. Group Management expect, that the Group will continue as a going concern in 2021, but there are material uncertainties due the economic circumstances of the Group. These matters indicate a material uncertainty, which could raise significant doubt about the company's ability to continue as a going concern. Our opinion is not modified due to the matter.

Emphasis of matter regarding the audit

We draw attention to the receivables from affiliated companies amounting to tDKK 7,668 and property, plant and equipment of tDKK 842. As a result of the assumptions stated in note 1 about the future operation, there is significant uncertainty about these values. The uncertainties are further described in note 2.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on

Independent Auditors' Report

the basis of these financial statements.

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

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Gerry Weber Denmark ApS

Independent Auditors' Report

Statement on Management's Review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

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

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Copenhagen, 23 June 2021

Rödl & Partner Danmark
Godkendt Revisionsaktieselskab

Gitte Henckel
State Authorised Public Accountant
mne32734

Gerry Weber Denmark ApS

Company details

Company	Gerry Weber Denmark ApS Center Boulevard 5 2300 Copenhagen
CVR No.	31635985
Date of formation	22 August 2008
Registered office	Copenhagen
Executive Board	Mark Florian Frank, Director
Auditors	Rödl & Partner Danmark Godkendt Revisionsaktieselskab Store Kongensgade 40 H, 2. 1264 Copenhagen K

Management's Review

The Company's principal activities

The purpose of the company is retail and whole sale.

Recognition and measurement uncertainties

As a consequence of uncertainty regarding the going concern of the parent company, uncertainty also exist regarding the measurement of receivables from the affiliated companies amounting to tDKK 7,668 and the measurement of property, plant and equipment to tDKK 842 at 31 December 2020.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -81.331 and the Balance Sheet at 31 December 2020 a balance sheet total of DKK 9.016.232 and an equity of DKK 7.206.294.

The Company have received grants relating to COVID-19 of tDKK 129, which is still subject to auditing.

Significant events occurring after

The complete effect of the Company's activities due to the COVID-19 pandemic is unknown. Managements expects that it could influence the following year, but the effect can currently not be quantified.

Expected development of the company, including specific prerequisites and uncertainties

Due to the shut down of the retailbusiness in February 2020 and an increase in provision from the parent company for the whole sale business, Management expects a positive but moderate result for the following fiscal year.

Specific prerequisites for assessment of the expected development of the company

The company is dependent on financial support of liquid assets from the parent company. The parent company has issue a letter of support and a waiver of debt to ensure the going concern of the company.

Uncertainties associated with the expected development of the company

As the company is dependent on the parent companys financial support to continue as a going concern, the going concern of the company is dependent on the going concern of the parent company. The parent company Gerry Weber Internatinal AG is still having significant economic challenges after filing for insolvency in 2019 and composition from creditors, and the activitites of the Group are materialy affected by the COVID-19 Pandemic due to close down of stores etc. and the full effect on the Gerry Weber Groups activitites are not yet known. Group Management expect, that the Group will continue as a going concern in 2021, but there are materiel uncertainties due the economic circumstances of the Group. As a consequence herof, the financial statements have been resented based on going concern asumption.

Accounting Policies

Reporting Class

The Annual Report of Gerry Weber Denmark ApS for 2020 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

The comparison period is 1. November – 31. December 2019, because last year the company changed the fiscal year to adopt to the fiscal year of the Gerry Weber Group.

Reporting currency

The Annual Report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

General Information

Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, cost of raw and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Change in inventories of finished goods

The change in inventories of finished goods is changes in inventories.

Raw materials and consumables used

Costs for raw materials and consumables comprise the cost of goods purchased less discounts and change in inventories for the year.

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration and operating leasing costs etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Other staff expenses are recognised in other external expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and costs

Financial income and costs are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and costs include interest income and costs, realised and unrealised capital gains and losses regarding accounts payable and transactions in foreign currencies.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax.

Accounting Policies

Balance Sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	5-10 years	0 %
Leasehold improvements	7 years	0 %

Fixed assets investment

Fixed asset investments consists of deposits measured at amortised cost.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the selling price less costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Provisions

Provisions comprise expected expenses relating to warranty commitments, losses on work in progress, restructuring, etc. Provisions are recognised when, as a result of a past event, the company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Liabilities

Liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accounting Policies

Contingent liabilities

Contingent liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

		2020	01/11-31/12
	Note	kr.	2019 kr.
Gross profit	3	3.418.749	412.407
Staff costs	4	-3.330.870	-827.294
Depreciation, amortisation expense and impairment losses of property, plant and equipment		-283.718	-47.287
Profit from ordinary operating activities		-195.839	-462.174
Financial income	5	185.920	21.000
Financial costs	6	-85.506	-21.953
Profit/loss before tax		-95.425	-463.127
Tax on profit/loss for the year	7	14.094	0
Profit/loss for the year		-81.331	-463.127
Proposed distribution of results			
Retained earnings		-81.331	-463.127
Distribution of profit		-81.331	-463.127

Balance Sheet as of 31 December

	Note	2020 kr.	2019 kr.
Assets			
Other fixtures and fittings, tools and equipment		613.851	745.218
Leasehold improvements		228.526	380.877
Property, plant and equipment	8, 9	842.377	1.126.095
Deposits		32.500	32.500
Fixed asset investments		32.500	32.500
Fixed assets		874.877	1.158.595
Finished goods and goods for resale		0	265.456
Inventories		0	265.456
Trade receivables		0	1.941.622
Receivables from group enterprises		7.668.238	6.336.308
Tax receivables		72.659	94.000
Other receivables		86.467	0
Receivables		7.827.364	8.371.930
Cash and cash equivalents		313.991	923.386
Current assets		8.141.355	9.560.772
Assets		9.016.232	10.719.367

Balance Sheet as of 31 December

	Note	2020 kr.	2019 kr.
Liabilities and equity			
Share capital		3.725.000	3.725.000
Retained earnings		3.481.294	3.562.625
Equity		7.206.294	7.287.625
Other provisions		0	277.034
Provisions		0	277.034
Trade payables		207.443	1.305.157
Payables to group enterprises		850.909	803.758
Other payables		751.586	1.045.793
Short-term liabilities other than provisions		1.809.938	3.154.708
Liabilities other than provisions within the business		1.809.938	3.154.708
Liabilities and equity		9.016.232	10.719.367
Contingent liabilities	10		
Collaterals and assets pledges as security	11		

Gerry Weber Denmark ApS

Statement of changes in Equity

	Share capital	Retained earnings	Total
Equity 1 January 2020	3.725.000	3.562.625	7.287.625
Profit (loss)	0	-81.331	-81.331
Equity 31 December 2020	3.725.000	3.481.294	7.206.294

Notes

1. Uncertainty about the continued operation (going concern)

The company is dependent on financial support of liquid assets from the parent company. The parent company has issued a letter of support and a waiver of debt to ensure the going concern of the company.

As the company is dependent on the parent company's financial support to continue as a going concern, the going concern of the company is dependent on the going concern of the parent company. The parent company Gerry Weber International AG is still having significant economic challenges after filing for insolvency in 2019 and composition from creditors, and the activities of the Group are materially affected by the COVID-19 Pandemic due to close down of stores etc. and the full effect on the Gerry Weber Group's activities are not yet known. Group Management expects that the Group will continue as a going concern in 2021, but there are material uncertainties due to the economic circumstances of the Group.

2. Uncertainty in the recognition and measurement

As a consequence of uncertainty regarding the going concern of the parent company, uncertainty also exists regarding the measurement of receivables from the parent company amounting to tDKK 4,187 at 31 December 2020.

Public grants amounting to a total of tDKK 129 thousand have been recognized as other operating income in the financial statements for 2020.

3. Other operating income

	2020	01/11-31/12 2019
Government aid - wage compensation	129.200	0
	129.200	0

4. Staff costs

	2020	01/11-31/12 2019
Wages and salaries	3.094.062	755.083
Post-employment benefit expense	216.858	68.361
Social security contributions	19.950	3.850
	3.330.870	827.294
Average number of employees	8	8

5. Financial income

	2020	01/11-31/12 2019
Interest received from affiliates	161.030	21.000
Other financial income	24.984	0
	186.014	21.000

Notes

6. Financial costs

	2020	01/11-31/12 2019
Other financial costs	84.288	20.391
Exchange loss	1.218	577
Percentage surcharge, corporation tax	0	985
	85.506	21.953

7. Tax expense

	2020	01/11-31/12 2019
Taxes on income previous year	-14.094	0
	-14.094	0

8. Other fixtures and fittings, tools and equipment

	2020	2019
Cost at the beginning of the year	4.530.155	4.530.155
Cost at the end of the year	4.530.155	4.530.155
Depreciation and amortisation at the beginning of the year	-3.784.937	-3.763.042
Amortisation for the year	-131.367	-21.895
Impairment losses and amortisation at the end of the year	-3.916.304	-3.784.937
Carrying amount at the end of the year	613.851	745.218

9. Leasehold improvements

	2020	2019
Cost at the beginning of the year	406.269	406.269
Cost at the end of the year	406.269	406.269
Depreciation and amortisation at the beginning of the year	-25.392	0
Amortisation for the year	-152.351	-25.392
Impairment losses and amortisation at the end of the year	-177.743	-25.392
Carrying amount at the end of the year	228.526	380.877

10. Contingent liabilities

The company have a rent obligation of the next 12 months of 1.311 tDKK.

The company have received grants relating to COVID-19 of tDKK 129, which is still subject to auditing.

Mortgages and collateral:

Securities have been put up for a guarantee totalling tDKK 558

Notes

11. Rental agreements and lease commitments

Operating lease liabilities.

Total future lease payments:

	2020	01/11-31/12 2019
Within 1 year	0	3.023
	0	3.023