



## Trendhim ApS

Egeskovej 12  
8700 Horsens  
CVR No. 32261930

## Annual report 2022

The Annual General Meeting adopted the  
annual report on 29.03.2023

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**Sebastian Gyhrs Petersen**

Chairman of the General Meeting

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# Entity details

## Entity

Trendhim ApS  
Egeskovvej 12  
8700 Horsens

Business Registration No.: 32261930  
Registered office: Horsens  
Financial year: 01.01.2022 - 31.12.2022

## Board of Directors

Michael Ejby Bjørnvig  
Brian Andersen  
Mikkel Falkenberg Kjær Andersen  
Johanna Svensson  
Fanny Leksell  
Gerth Roger Arne Kylberg  
Sebastian Gyhrs Petersen

## Executive Board

Sebastian Gyhrs Petersen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
City Tower, Værkmestergade 2  
8000 Aarhus C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Trendhim ApS for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

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

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

Horsens , 29.03.2023

## Executive Board

**Sebastian Gyhrs Petersen**

## Board of Directors

**Michael Ejby Bjørnvig**

**Brian Andersen**

**Mikkel Falkenberg Kjær Andersen**

**Johanna Svensson**

**Fanny Leksell**

**Gerth Roger Arne Kylberg**

**Sebastian Gyhrs Petersen**

# Independent auditor's report

## To the shareholders of Trendhim ApS

### Opinion

We have audited the financial statements of Trendhim ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the 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 Entity'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 financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the management commentary**

Management is responsible for the management commentary.

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

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the 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 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, 29.03.2023

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Mads Fauerskov**

State Authorised Public Accountant  
Identification No (MNE) mne35428

**Kasper Vestergaard Jessen**

State Authorised Public Accountant  
Identification No (MNE) mne42784

# Management commentary

## Financial highlights

	2022 DKK'000	2021 DKK'000	2020 DKK'000	2019 DKK'000	2018 DKK'000
<b>Key figures</b>					
Gross profit/loss	85,098	80,511	63,738	34,599	21,219
Operating profit/loss	39,861	41,036	42,102	17,722	10,459
Net financials	(286)	(229)	(80)	(39)	(51)
Profit/loss for the year	30,810	31,817	32,721	13,788	8,110
Total assets	105,821	94,225	81,187	41,572	28,087
Investments in property, plant and equipment	956	8,013	1,467	1,116	30
Equity	50,474	35,664	32,847	22,588	14,801
<b>Ratios</b>					
Return on equity (%)	71.54	92.88	118.05	73.75	75.47
Equity ratio (%)	47.70	37.85	40.46	54.33	52.70

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

### Return on equity (%):

Profit/loss for the year \* 100

Average equity

### Equity ratio (%):

Equity \* 100

Total assets



### Primary activities

The company's main activity is the sale of accessories for men, directly to the consumer. The company designs and manufactures own goods under own brands.

### Development in activities and finances

In 2022, the company saw a 5% increase in gross profit, which management finds satisfactory. The financial result for the year was 30.809.764 DKK, representing continued growth and stability for the company.

### Culture and ESG

At Trendhim, we believe that a strong culture and a focus on ESG principles are crucial to the long-term success of the company. We are committed to investing in our people and fostering a positive and inclusive work environment. We have also continued our efforts to improve our environmental impact through initiatives such as recycling programs and working with suppliers on ESG policies and audits.

### The Ukrainian War

We are deeply concerned about the ongoing conflict in Ukraine and its impact on the region and the world. While we do not have direct operations in Ukraine, we are closely monitoring the situation and working to ensure that our supply chain is not impacted.

### Investments

In 2022, management continued to invest in the organization, learning, and IT infrastructure to support future growth. We believe that these investments will help us to further strengthen our market position and brand awareness in the coming years.

### Profit/loss for the year in relation to expected developments

The 5% increase in gross profit and strong financial result for the year are in line with management's expectations. We remain committed to investing in the company to prepare for future growth and maintain our position as a leading destination for men's accessories.

### Uncertainty relating to recognition and measurement

Management sees no significant uncertainty regarding calculation and measurement of the results presented in the annual report.

The fluctuation of currencies (FX) has not had a significant impact on the company during 2022. Primarily because the company has cashflows in many different currencies which somewhat balance out fluctuations.

### Outlook

We are optimistic about the future growth of Trendhim and remain committed to investing in our organization and infrastructure to support this growth. While the COVID-19 pandemic is no longer expected to have as significant an impact on the industry in 2023, we are closely monitoring the situation and following all relevant guidelines to protect our employees and customers. Management expects growth in net revenue of 0-5% in 2023 and a financial result (EBITDA) between 25-40 mio DKK.

### Knowledge resources

At Trendhim, we believe that our people are our most valuable resource. We are committed to investing in their development and providing a positive and inclusive work environment.

**Environmental performance**

We believe that it is our responsibility to minimize our environmental impact and promote sustainable practices. We are working with our suppliers to implement ESG policies and audits, and we have implemented recycling programs for certain materials. We also have policies in place to ensure compliance with relevant regulations and to encourage responsible behaviour from our employees and partners.

**Research and development activities**

Trendhim has begun activating development costs associated with the ongoing optimization and development of the web shop, reflecting the company's commitment to continuously improving its online platform and user experience.

**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.

# Income statement for 2022

	Notes	2022 DKK	2021 DKK
<b>Gross profit/loss</b>		<b>85,097,826</b>	<b>80,511,444</b>
Staff costs	1	(43,317,221)	(36,948,486)
Depreciation, amortisation and impairment losses	2	(1,919,202)	(2,527,129)
<b>Operating profit/loss</b>		<b>39,861,403</b>	<b>41,035,829</b>
Other financial expenses		(286,053)	(229,347)
<b>Profit/loss before tax</b>		<b>39,575,350</b>	<b>40,806,482</b>
Tax on profit/loss for the year	3	(8,765,586)	(8,989,134)
<b>Profit/loss for the year</b>	4	<b>30,809,764</b>	<b>31,817,348</b>

# Balance sheet at 31.12.2022

## Assets

	Notes	2022 DKK	2021 DKK
Completed development projects	6	3,297,962	0
<b>Intangible assets</b>	5	<b>3,297,962</b>	<b>0</b>
Other fixtures and fittings, tools and equipment		3,070,701	3,442,453
Leasehold improvements		4,057,871	4,283,158
<b>Property, plant and equipment</b>	7	<b>7,128,572</b>	<b>7,725,611</b>
Deposits		586,250	1,067,937
<b>Financial assets</b>	8	<b>586,250</b>	<b>1,067,937</b>
<b>Fixed assets</b>		<b>11,012,784</b>	<b>8,793,548</b>
Manufactured goods and goods for resale		42,683,787	38,682,276
Prepayments for goods		1,872,170	2,969,549
<b>Inventories</b>		<b>44,555,957</b>	<b>41,651,825</b>
Trade receivables		0	156,250
Receivables from group enterprises		0	897,017
Deferred tax	9	0	817,000
Other receivables		10,015,061	9,247,232
Tax receivable		914,560	0
Prepayments	10	3,346,983	2,078,546
<b>Receivables</b>		<b>14,276,604</b>	<b>13,196,045</b>
<b>Cash</b>		<b>35,975,369</b>	<b>30,583,611</b>
<b>Current assets</b>		<b>94,807,930</b>	<b>85,431,481</b>
<b>Assets</b>		<b>105,820,714</b>	<b>94,225,029</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2022 DKK</b>	<b>2021 DKK</b>
Contributed capital		126,000	126,000
Reserve for development expenditure		2,572,410	0
Retained earnings		41,775,417	19,538,063
Proposed dividend		6,000,000	16,000,000
<b>Equity</b>		<b>50,473,827</b>	<b>35,664,063</b>
Deferred tax	9	1,199,000	0
Other provisions	11	3,174,253	3,240,277
<b>Provisions</b>		<b>4,373,253</b>	<b>3,240,277</b>
Other payables		1,157,134	1,157,134
<b>Non-current liabilities other than provisions</b>	12	<b>1,157,134</b>	<b>1,157,134</b>
Prepayments received from customers		851,577	1,466,450
Trade payables		20,524,439	24,891,606
Payables to group enterprises		2,696,738	0
Joint taxation contribution payable		7,664,165	8,349,134
Other payables	13	18,079,581	19,456,365
<b>Current liabilities other than provisions</b>		<b>49,816,500</b>	<b>54,163,555</b>
<b>Liabilities other than provisions</b>		<b>50,973,634</b>	<b>55,320,689</b>
<b>Equity and liabilities</b>		<b>105,820,714</b>	<b>94,225,029</b>
Unrecognised rental and lease commitments	14		
Contingent liabilities	15		
Assets charged and collateral	16		
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# Statement of changes in equity for 2022

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	126,000	0	19,538,063	16,000,000	35,664,063
Ordinary dividend paid	0	0	0	(16,000,000)	(16,000,000)
Transfer to reserves	0	2,572,410	(2,572,410)	0	0
Profit/loss for the year	0	0	24,809,764	6,000,000	30,809,764
<b>Equity end of year</b>	<b>126,000</b>	<b>2,572,410</b>	<b>41,775,417</b>	<b>6,000,000</b>	<b>50,473,827</b>

# Notes

## 1 Staff costs

	2022 DKK	2021 DKK
Wages and salaries	39,500,189	34,556,660
Pension costs	3,094,034	2,200,199
Other social security costs	722,998	195,687
Other staff costs	0	(4,060)
	<b>43,317,221</b>	<b>36,948,486</b>
Average number of full-time employees	<b>91</b>	<b>84</b>

As Management is remunerated in Trendhim Group ApS, please refer to the annual report thereof.

## 2 Depreciation, amortisation and impairment losses

	2022 DKK	2021 DKK
Amortisation of intangible assets	366,440	0
Depreciation of property, plant and equipment	1,552,762	1,841,928
Impairment losses on property, plant and equipment	0	685,201
	<b>1,919,202</b>	<b>2,527,129</b>

## 3 Tax on profit/loss for the year

	2022 DKK	2021 DKK
Current tax	7,664,157	9,881,134
Change in deferred tax	2,016,000	(892,000)
Adjustment concerning previous years	(914,571)	0
	<b>8,765,586</b>	<b>8,989,134</b>

## 4 Proposed distribution of profit and loss

	2022 DKK	2021 DKK
Ordinary dividend for the financial year	6,000,000	16,000,000
Retained earnings	24,809,764	15,817,348
	<b>30,809,764</b>	<b>31,817,348</b>

## 5 Intangible assets

	Completed development projects DKK
Additions	3,664,402
<b>Cost end of year</b>	<b>3,664,402</b>
Amortisation for the year	(366,440)
<b>Amortisation and impairment losses end of year</b>	<b>(366,440)</b>
<b>Carrying amount end of year</b>	<b>3,297,962</b>

## 6 Development projects

The completed development projects consist of development on domains. Each project is amortised over 10 years beginning on the date of the project completion. During the financial year 2023, the Company has realised sales based on these projects.

Management has positive expectations that the completed development projects will drive a positive change and increased sales.

On this background, Management does not find any indications that the carrying amount needs adjustment.

## 7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	6,702,140	4,436,993
Additions	502,649	453,074
<b>Cost end of year</b>	<b>7,204,789</b>	<b>4,890,067</b>
Depreciation and impairment losses beginning of year	(3,259,687)	(153,835)
Depreciation for the year	(874,401)	(678,361)
<b>Depreciation and impairment losses end of year</b>	<b>(4,134,088)</b>	<b>(832,196)</b>
<b>Carrying amount end of year</b>	<b>3,070,701</b>	<b>4,057,871</b>

## 8 Financial assets

	Deposits DKK
Cost beginning of year	1,067,937
Disposals	(481,687)
<b>Cost end of year</b>	<b>586,250</b>
<b>Carrying amount end of year</b>	<b>586,250</b>



## 9 Deferred tax

	2022 DKK	2021 DKK
Intangible assets	(726,000)	0
Property, plant and equipment	(436,000)	(353,000)
Receivables	(735,000)	457,000
Provisions	698,000	713,000
<b>Deferred tax</b>	<b>(1,199,000)</b>	<b>817,000</b>

	2022 DKK	2021 DKK
<b>Changes during the year</b>		
Beginning of year	817,000	(75,000)
Recognised in the income statement	(2,016,000)	892,000
<b>End of year</b>	<b>(1,199,000)</b>	<b>817,000</b>

## 10 Prepayments

Prepayments cover substantial prepaid insurance, licenses, etc

## 11 Other provisions

Other provisions consist of provisions for the return of goods at the beginning of 2023 with a value of DKK 3,174 K. (DKK 3,240 K. last year)

The provision is based on realized returns in the subsequent period and compared with the company's realized returns for previous periods.

## 12 Non-current liabilities other than provisions

	Due after more than 12 months 2022 DKK	Outstanding after 5 years 2022 DKK
Other payables	1,157,134	1,157,134
	<b>1,157,134</b>	<b>1,157,134</b>

## 13 Other payables

	2022 DKK	2021 DKK
VAT and duties	16,329,352	16,828,655
Wages and salaries, personal income taxes, social security costs, etc payable	266,615	1,248,794
Holiday pay obligation	1,483,614	1,378,916
	<b>18,079,581</b>	<b>19,456,365</b>

#### 14 Unrecognised rental and lease commitments

	2022 DKK	2021 DKK
Liabilities under rental or lease agreements until maturity in total	13,483,750	17,627,998

#### 15 Contingent liabilities

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

#### 16 Assets charged and collateral

As security for all balances with banks, the company has pledged a corporate mortgage of DKK 4,500 K. in other plant, equipment and fixtures and fittings as well as inventories and receivables from sales and services.

The carrying amount per 31.12.2022 of pledged assets amounts to DKK 49,812 K.

There is a bank debt of DKK 0 K. pr. 31.12.2022.

#### 17 Related parties with controlling interest

Trendhim Group ApS - Egeskovvej 12 Tolstrup, 8700 Horsens  
 Priveq Investment v(A) AB Humlegårdsgatan 20, 10 246 Stockholm, Sverige

#### 18 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
 Trendhim Group ApS, Horsens

# Accounting policies

## Reporting class

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

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

## Recognition and measurement

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

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

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

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

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

## 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.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, own work capitalised, other operating income, cost of sales 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.

Revenue also includes provisions for returned goods, which are calculated on the basis of historical data.

**Own work capitalised**

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets.

**Other operating income**

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

**Cost of sales**

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

**Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

**Staff costs**

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

**Depreciation, amortisation and impairment losses**

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

**Other financial 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, and tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

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

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

**Balance sheet****Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed with related intellectual property rights.

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

the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises salary cost that are directly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 10 years.

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

### **Property, plant and equipment**

Other fixtures and fittings, tools and equipment and leasehold improvements 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:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	4-10 years
Leasehold improvements	5 years

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

Estimated useful lives and residual values are reassessed annually.

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

**Inventories**

Inventories are measured at the lower of cost using the 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.

**Receivables**

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

**Deferred tax**

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

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.

**Tax payable or receivable**

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

**Prepayments**

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

**Cash**

Cash comprises bank deposits.

Payment-gateways are presented as receivables.

**Dividend**

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

**Other provisions**

Other provisions comprise anticipated costs of returns.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

**Other financial liabilities**

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

**Prepayments received from customers**

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

**Joint taxation contributions payable or receivable**

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax.

**Cash flow statement**

Referring to section 86(4) of the Danish Financial Statements Act, the Entity has prepared no cash flow statement as such statement is included in the consolidated cash flow statement of Trendhim Group ApS, Business Reg. No. 41481668.