

The Kooples Denmark ApS

c/o Grant Thornton, Statautoriserede Revisorer, Stockholmsgade 45, 2100 København Ø

Company reg. no. 34 89 43 45

Annual report

2020

The annual report was submitted and approved by the general meeting on the 30 March 2021.

Marie Schott
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's report	1
Auditor's report on compilation of the annual accounts	2
Management commentary	
Company information	3
Management commentary	4
Financial statements 1 January - 31 December 2020	
Accounting policies	5
Income statement	9
Statement of financial position	10
Statement of changes in equity	12
Notes	13

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 %.

Management's report

The executive board has today presented the annual report of The Kooples Denmark ApS for the financial year 1 January to 31 December 2020.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

The executive board considers the requirements of omission of audit of the annual accounts for 2020 as met.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

København Ø, 30 March 2021

Executive board

Marie-Geneviève Schott

Raphaël Silvio Pierre Asaria

Auditor's report on compilation of the annual accounts

To the shareholder of The Kooples Denmark ApS

We have compiled the financial statements of The Kooples Denmark ApS for the financial year 1 January - 31 December 2020 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the accounting policies, income statement, statement of financial position, statement of changes in equity and notes.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Copenhagen, 30 March 2021

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Sebastian With Hansen

State Authorised Public Accountant
mne36191

Company information

The company

The Kooples Denmark ApS
c/o Grant Thornton, Statsautoriserede Revisorer
Stockholmsgade 45
2100 København Ø

Company reg. no. 34 89 43 45

Financial year: 1 January 2020 - 31 December 2020

Executive board

Marie-Geneviève Schott
Raphaël Silvio Pierre Asaria

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Management commentary

The principal activities of the company

The company activities are sale of clothing and related services.

Development in activities and financial matters

The gross profit for the year is T.DKK 520 against T.DKK 250 last year. The results from ordinary activities after tax are T.DKK -499 against T.DKK -862 last year.

This years loss of the year and economic development has not been satisfying.

Given the current situation with Covid-19 - the company's management cannot at this time comment on the financial impact and expected results for the financial year 2020.

Through adjustmens, it is the management's expectation that profits will be made in the future. The company activity is supported by the parent company with a letter of support. The management therefore presents the accounts as going concern.

Accounting policies

The annual report for The Kooples Denmark ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies are unchanged to last year, and the annual accounts are presented in Danish kroner (DKK). The accounting period was changed in the previous financial year and comprises the period 1 December 2020 to 31 December 2020. The comparative figures appearing from the profit and loss account comprise the period 1 September 2018 to 31 December 2019.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross profit

Gross profit comprises the revenue, consumption of goods and external costs.

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. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts.

Other operation income includes accounting items of a secondary nature in relation to the company's main activities, including profits from the sale of intangible and tangible fixed assets.

Other external costs comprise costs for distribution, sales, advertisement, administration and premises.

Accounting policies

Staff costs

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

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to tangible fixed assets respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

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

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset.

Depreciation takes place systematically in a degressive line based on 16,67 %.

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.

Accounting policies

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.

Receivables

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

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in 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.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

According to the rules of joint taxation, The Kooples Denmark ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

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.

Accounting policies

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

All amounts in DKK.

<u>Note</u>	1/1 2020 - 31/12 2020	1/9 2018 - 31/12 2019
Gross profit	520.092	250.383
3 Staff costs	-941.923	-1.019.234
Depreciation and writedown relating to tangible fixed assets	-57.258	-49.792
Operating profit	-479.089	-818.643
Other financial income	15.906	629
4 Other financial costs	-35.971	-44.410
Pre-tax net profit or loss	-499.154	-862.424
Tax on ordinary results	0	0
Net profit or loss for the year	-499.154	-862.424
Proposed appropriation of net profit:		
Allocated from retained earnings	-499.154	-862.424
Total allocations and transfers	-499.154	-862.424

Statement of financial position at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Non-current assets		
Other fixtures and fittings, tools and equipment	506.473	29.810
Total property, plant, and equipment	506.473	29.810
Total non-current assets	506.473	29.810
Current assets		
Trade debtors	39.549	176.676
Accrued income and deferred expenses	0	1.912
Total receivables	39.549	178.588
Available funds	168.303	376.255
Total current assets	207.852	554.843
Total assets	714.325	584.653

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity		
Contributed capital	80.000	80.000
Results brought forward	-2.897.513	-2.398.359
Total equity	-2.817.513	-2.318.359
Liabilities other than provisions		
Trade creditors	46.922	45.991
Debt to group enterprises	3.325.532	2.766.325
Other debts	159.384	90.696
Total short term liabilities other than provisions	3.531.838	2.903.012
Total liabilities other than provisions	3.531.838	2.903.012
Total equity and liabilities	714.325	584.653

- 1** Uncertainties concerning the enterprise's ability to continue as a going concern
- 2** Special items
- 5** Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 September 2018	80.000	-1.535.935	-1.455.935
Profit or loss for the year brought forward	<u>0</u>	<u>-862.424</u>	<u>-862.424</u>
Equity 1 January 2020	80.000	-2.398.359	-2.318.359
Profit or loss for the year brought forward	<u>0</u>	<u>-499.154</u>	<u>-499.154</u>
	<u>80.000</u>	<u>-2.897.513</u>	<u>-2.817.513</u>

Notes

All amounts in DKK.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

The company activity is supported by the parent company with a letter of support. The management therefore presents the accounts as going concern.

2. Special items

Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.

Special items for the year are specified below, indicating where they are recognised in the income statement.

	1/1 2020 - 31/12 2020
Income:	
Salary compensation, Covid-19	95.441
	<u>95.441</u>
Special items are recognised in the following items in the financial statements:	
Gross profit	95.441
Profit of special items, net	<u>95.441</u>

	1/1 2020 - 31/12 2020	1/9 2018 - 31/12 2019
3. Staff costs		
Salaries and wages	931.415	999.819
Other costs for social security	10.508	19.415
	<u>941.923</u>	<u>1.019.234</u>
Average number of employees	<u>5</u>	<u>5</u>

Notes

All amounts in DKK.

	1/1 2020 - 31/12 2020	1/9 2018 - 31/12 2019
4. Other financial costs		
Interest, group enterprises	34.627	37.495
Other financial costs	1.344	6.915
	35.971	44.410

5. Contingencies

Joint taxation

Lacoste Denmark ApS, company reg. no 33 95 46 89 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.