

Andreas Hansen Denmark A/S

Mariendalsvej 2C, 8800 Viborg

Company reg. no. 35 04 89 01

Annual report

1 January - 31 December 2023



The annual report was submitted and approved by the general meeting on the 8 April 2024.

Martin Andreas Hansen
Chairman of the meeting

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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 statement

Today, the Board of Directors and the Managing Director have approved the annual report of Andreas Hansen Denmark A/S for the financial year 1 January - 31 December 2023.

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

We consider the chosen accounting policy to be appropriate, and 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.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

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

Viborg, 8 April 2024

Managing Director

Martin Andreas Hansen

Board of directors

Christina Keblovszki

Martin Andreas Hansen

Egidius Marcel Marie Gehlen

Independent auditor's report

To the Shareholders of Andreas Hansen Denmark A/S

Opinion

We have audited the financial statements of Andreas Hansen Denmark A/S 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.

Viborg, 8 April 2024

Ullits & Winther

State Authorized Public Accounting Firm
Company reg. no. 32 09 32 72

Claus Søndergaard Nielsen

State Authorised Public Accountant
mne30145

Company information

The company

Andreas Hansen Denmark A/S
Mariendalsvej 2C
8800 Viborg

Company reg. no. 35 04 89 01
Established: 27 February 2013
Financial year: 1 January - 31 December

Board of directors

Christina Keblovszki
Martin Andreas Hansen
Egidius Marcel Marie Gehlen

Managing Director

Martin Andreas Hansen

Auditors

Ullits & Winther
Statsautoriseret Revisionspartnerselskab
Agerlandsvej 1
8800 Viborg

Parent company

Seppl B.V., Edisonweg 27, 6101 XJ Echt, Holland

Management's review

Description of key activities of the company

Like previous years, the activities are manufacturing, trading and investing in the textile industry.

Development in activities and financial matters

The profit and loss account covers 1 January to 31 December and shows a result of DKK 672.788 against DKK 1.702.173 last year. The balance sheet shows equity of DKK 5.400.113.

Accounting policies

The annual report for Andreas Hansen Denmark A/S 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.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

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, write-downs 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.

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.

Income statement

Gross profit

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

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Accounting policies

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 external expenses comprise expenses incurred for 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 write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible 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.

Results from investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual entities are recognised in the income statement as a proportional share of the entities' post-tax profit or loss.

Tax on net profit or loss for the year

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

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.

Accounting policies

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

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0 %

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.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Investments

Investments in group enterprises

Investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

Accounting policies

Deposits

Deposits are measured at amortised cost and represent lease deposits.

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. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

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.

Accounting policies

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	8.849.923	8.820.446
1 Staff costs	-7.646.691	-6.418.339
Depreciation and impairment of property, land, and equipment	-150.365	-96.221
Operating profit	1.052.867	2.305.886
Income from investments in group enterprises	0	-7.277
Other financial income	5.912	0
2 Other financial expenses	-168.207	-92.527
Pre-tax net profit or loss	890.572	2.206.082
Tax on net profit or loss for the year	-217.784	-503.909
Net profit or loss for the year	672.788	1.702.173
Proposed distribution of net profit:		
Transferred to retained earnings	672.788	1.702.173
Total allocations and transfers	672.788	1.702.173

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Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Assets		
Non-current assets		
3 Other fixtures, fittings, tools and equipment	367.880	127.390
Total property, plant, and equipment	<u>367.880</u>	<u>127.390</u>
4 Investments in group enterprises	0	33.588
5 Deposits	<u>118.085</u>	<u>115.125</u>
Total investments	<u>118.085</u>	<u>148.713</u>
Total non-current assets	<u>485.965</u>	<u>276.103</u>
Current assets		
Manufactured goods and goods for resale	6.658.639	4.372.607
Prepayments for goods	<u>441.926</u>	<u>0</u>
Total inventories	<u>7.100.565</u>	<u>4.372.607</u>
Trade receivables	6.211.007	7.257.033
Receivables from group enterprises	135.000	0
Deferred tax assets	15.000	18.966
Other receivables	257.991	248.046
Prepayments	<u>141.095</u>	<u>8.611</u>
Total receivables	<u>6.760.093</u>	<u>7.532.656</u>
Cash and cash equivalents	<u>370.331</u>	<u>3.200.395</u>
Total current assets	<u>14.230.989</u>	<u>15.105.658</u>
Total assets	<u>14.716.954</u>	<u>15.381.761</u>

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Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity and liabilities		
Equity		
Contributed capital	1.020.408	1.020.408
Retained earnings	4.379.705	3.706.917
Total equity	<u>5.400.113</u>	<u>4.727.325</u>
Liabilities other than provisions		
Trade payables	2.013.767	2.152.994
Payables to group enterprises	5.641.422	4.583.052
Income tax payable	213.818	508.888
Income tax payable to group enterprises	0	2.052
Other payables	1.447.834	3.407.450
Total short term liabilities other than provisions	<u>9.316.841</u>	<u>10.654.436</u>
Total liabilities other than provisions	<u>9.316.841</u>	<u>10.654.436</u>
Total equity and liabilities	<u>14.716.954</u>	<u>15.381.761</u>

6 Charges and security

7 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	1.020.408	2.004.744	3.025.152
Retained earnings for the year	<u>0</u>	<u>1.702.173</u>	<u>1.702.173</u>
Equity 1 January 2022	1.020.408	3.706.917	4.727.325
Retained earnings for the year	<u>0</u>	<u>672.788</u>	<u>672.788</u>
	<u>1.020.408</u>	<u>4.379.705</u>	<u>5.400.113</u>

Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	6.556.737	5.474.061
Pension costs	960.609	824.552
Other costs for social security	<u>129.345</u>	<u>119.726</u>
	<u>7.646.691</u>	<u>6.418.339</u>
Average number of employees	<u>15</u>	<u>14</u>
2. Other financial expenses		
Financial costs, group enterprises	0	1.500
Other financial costs	<u>168.207</u>	<u>91.027</u>
	<u>168.207</u>	<u>92.527</u>
	<u>31/12 2023</u>	<u>31/12 2022</u>
3. Other fixtures, fittings, tools and equipment		
Cost opening balance	1.494.213	1.461.663
Additions during the year	<u>390.855</u>	<u>32.550</u>
Cost end of period	<u>1.885.068</u>	<u>1.494.213</u>
Depreciation and write-down opening balance	-1.366.823	-1.270.602
Amortisation and depreciation for the year	<u>-150.365</u>	<u>-96.221</u>
Depreciation and write-down end of period	<u>-1.517.188</u>	<u>-1.366.823</u>
Carrying amount, end of period	<u>367.880</u>	<u>127.390</u>

Notes

All amounts in DKK.

	<u>31/12 2023</u>	<u>31/12 2022</u>
4. Investments in group enterprises		
Cost opening balance	50.000	50.000
Disposals during the year	<u>-50.000</u>	<u>0</u>
Cost end of period	<u>0</u>	<u>50.000</u>
Writedown, opening balance opening balance	-16.412	-9.135
Reversals for the year concerning disposals	16.412	0
Share of profit for the year	<u>0</u>	<u>-7.277</u>
Writedown end of period	<u>0</u>	<u>-16.412</u>
Carrying amount, end of period	<u>0</u>	<u>33.588</u>
5. Deposits		
Cost opening balance	115.125	115.125
Additions during the year	<u>2.960</u>	<u>0</u>
Cost end of period	<u>118.085</u>	<u>115.125</u>
Carrying amount, end of period	<u>118.085</u>	<u>115.125</u>
6. Charges and security		
<p>The company has issued company mortgage totaling 4,000 t.kr., which provide security in Fixtures, fittings, tools and equipment, inventories and simple trade receivables. The mortgage has been pledged as security for bankdeposits and bank guarantees (223 t.kr.) to credit institutions. The assets pledged as collateral have a carrying amount of 13,739 t.kr.:</p>		
		DKK in thousands
Inventories		<u>7.160</u>
Fixtures, fittings, tools and equipment		368
Trade receivables		6.211

Notes

All amounts in DKK.

7. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into operational leases with an average annual lease payment of 86 t.kr. The leases have 24-36 months to maturity and total outstanding lease payments total 513 t.kr.

Rent liabilities

The company has entered into a tenancy agreement with an annual rent of DKK 555 t.kr. The agreement may be terminated at any time with 6 and 12 months' notice, respectively. The maximum obligation amounts to 515 t.kr.

Martin Andreas Hansen

Navnet returneret af dansk MitID var:

Martin Andreas Hansen

Direktør

ID: 639e2b2a-d089-4f72-bc2e-7351feb9a8d2

CPR-match med dansk MitID

Tidspunkt for underskrift: 14-04-2024 kl.: 07:48:56

Underskrevet med MitID



Martin Andreas Hansen

Navnet returneret af dansk MitID var:

Martin Andreas Hansen

Bestyrelsesmedlem

ID: 639e2b2a-d089-4f72-bc2e-7351feb9a8d2

CPR-match med dansk MitID

Tidspunkt for underskrift: 14-04-2024 kl.: 07:50:15

Underskrevet med MitID



Claus Søndergaard Nielsen

Navnet returneret af dansk MitID var:

Claus Søndergaard Nielsen

Revisor

ID: 49af87d1-ea63-4e47-861c-fa5ecb45698e

CVR-match med dansk MitID

Tidspunkt for underskrift: 15-04-2024 kl.: 12:18:50

Underskrevet med MitID



Christina Keblovszki

Navnet returneret af dansk MitID var:

Christina Keblovszki

Bestyrelsesformand

ID: e2fb8ef4-8023-402c-8eee-6c6fc875d96d

CPR-match med dansk MitID

Tidspunkt for underskrift: 14-04-2024 kl.: 10:47:28

Underskrevet med MitID



Egidius Marcel Marie Gehlen

Bestyrelsesmedlem

IP-adresse: 188.205.14.217:17482

Tidspunkt for underskrift: 15-04-2024 kl.: 11:38:24

Underskrevet med esignatur EasySign



Martin Andreas Hansen

Navnet returneret af dansk MitID var:

Martin Andreas Hansen

Dirigent

ID: 639e2b2a-d089-4f72-bc2e-7351feb9a8d2

CPR-match med dansk MitID

Tidspunkt for underskrift: 15-04-2024 kl.: 13:21:15

Underskrevet med MitID

