

# OSKA Danmark ApS

Lyngby Hovedgade 40, 2800 Kgs. Lyngby

Company reg. no. 35 24 03 14

## Annual report

### 2017

The annual report have been submitted and approved by the general meeting on the 27 March 2018.

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**Ingo Behn**  
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

## Management's report

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The executive board has today presented the annual report of OSKA Danmark ApS for the financial year 1 January to 31 December 2017.

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 as on 31 December 2017 and of the company's results of its activities in the financial year 1 January to 31 December 2017.

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

The annual report is recommended for approval by the general meeting.

Germany, 27 March 2018

### Executive board

Michael Spang  
Director

Ingo Behn  
Director

## The independent auditor's reports

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### To the shareholder of OSKA Danmark ApS

#### Report on extended review of the annual accounts

We have performed extended review of the annual accounts of OSKA Danmark ApS for the financial year 1 January to 31 December 2017. The annual accounts comprise accounting policies used, profit and loss account, balance sheet and notes, and they are prepared in accordance with the Danish Financial Statements Act.

#### The management's responsibility for the annual accounts

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

#### Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts. We performed the extended review in accordance with the standard from the Danish Business Authority applicable on auditor's reports to small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable on extended review of annual accounts prepared in accordance with the Danish Financial Statements Act.

This requires that we comply with the Danish Act on Approved Auditors and Audit Firms and with the ethical requirements of the Danish Institute of State Authorised Public Accountants and that we plan and perform our audit procedures with the purpose of achieving moderate assurance as to our opinion on the annual accounts. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an evaluation of the achieved audit evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the annual accounts.

#### Opinion

Based on the work performed, it is our opinion that the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January to 31 December 2017 in accordance with the Danish Financial Statements Act.

## The independent auditor's reports

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### Emphasis of matter

Without modifying our opinion, we draw attention to the fact that there is considerable uncertainty about the company's ability to continue operations. The company has lost its entire share capital. It is a condition for continued operation, that the company will have recapitalised and also improve operations significantly. Please refer to managements's comments under note 1.

### Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our extended review of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the extended review, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 27 March 2018

### Redmark

State Authorised Public Accountants  
Company reg. no. 29 44 27 89

Jan Flemming Moldrup

State Authorised Public Accountant  
MNE-nr. 8996

## Company data

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### The company

OSKA Danmark ApS  
Lyngby Hovedgade 40  
2800 Kgs. Lyngby

Company reg. no. 35 24 03 14  
Established: 3 May 2013  
Financial year: 1 January - 31 December

### Executive board

Michael Spang, Director  
Ingo Behn, Director

### Auditors

Redmark, Statsautoriseret Revisionspartnerselskab  
Dirch Passers Allé 76  
2000 Frederiksberg

### Bankers

Jyske Bank A/S

## Management's review

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### **The principal activities of the company**

The company's main activity is to do business with retail sales of clothing and related activities.

### **Development in activities and financial matters**

The results from ordinary activities after tax are DKK -225.114 against DKK -131.068 last year. The management consider the results unsatisfactory.

### **Capital resources**

The company has lost its capital. The company's capital is expected to be restored within the next years through positive results.

### **Going Concern**

The financial statements have been prepared under the assumption of continued operation. For further description of assumptions for the assessment of going concern refers to the financial statements Note 1.

### **Events subsequent to the financial year**

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

## Profit and loss account 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2017</u>	<u>2016</u>
<b>Gross profit</b>	<b>549.371</b>	<b>490.307</b>
2 Staff costs	-724.343	-568.688
Depreciation and writedown relating to tangible fixed assets	-35.188	-35.196
<b>Operating profit</b>	<b>-210.160</b>	<b>-113.577</b>
Other financial income	139	175
3 Other financial costs	-15.093	-17.666
<b>Results before tax</b>	<b>-225.114</b>	<b>-131.068</b>
	<u>0</u>	<u>0</u>
<b>Results for the year</b>	<b>-225.114</b>	<b>-131.068</b>
 <b>Proposed distribution of the results:</b>		
Allocated from results brought forward	-225.114	-131.068
<b>Distribution in total</b>	<b>-225.114</b>	<b>-131.068</b>



## Balance sheet 31 December

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All amounts in DKK.

<b>Assets</b>		<u>2017</u>	<u>2016</u>
<u>Note</u>			
<b>Fixed assets</b>			
4	Other plants, operating assets, and fixtures and furniture	<u>31.737</u>	<u>66.925</u>
	Tangible fixed assets in total	<u>31.737</u>	<u>66.925</u>
	Deposits	<u>12.912</u>	<u>12.912</u>
	Financial fixed assets in total	<u>12.912</u>	<u>12.912</u>
	<b>Fixed assets in total</b>	<b><u>44.649</u></b>	<b><u>79.837</u></b>
<b>Current assets</b>			
	Manufactured goods and trade goods	<u>215.069</u>	<u>189.020</u>
	Inventories in total	<u>215.069</u>	<u>189.020</u>
	Trade debtors	38.286	4.271
	Accrued income and deferred expenses	<u>13.254</u>	<u>27.227</u>
	Debtors in total	<u>51.540</u>	<u>31.498</u>
	Available funds	<u>150.697</u>	<u>53.856</u>
	<b>Current assets in total</b>	<b><u>417.306</u></b>	<b><u>274.374</u></b>
	<b>Assets in total</b>	<b><u>461.955</u></b>	<b><u>354.211</u></b>

## Balance sheet 31 December

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All amounts in DKK.

<b>Equity and liabilities</b>		<u>2017</u>	<u>2016</u>
<u>Note</u>			
<b>Equity</b>			
5	Contributed capital	80.000	80.000
6	Results brought forward	-1.362.164	-1.137.050
	<b>Equity in total</b>	<b><u>-1.282.164</u></b>	<b><u>-1.057.050</u></b>
<b>Liabilities</b>			
	Debt to group enterprises	<u>468.927</u>	<u>468.927</u>
	Long-term liabilities in total	<u>468.927</u>	<u>468.927</u>
	Prepayments received from customers	15.197	11.652
	Trade creditors	61.898	11.238
	Debt to group enterprises	936.834	683.333
	Other debts	<u>261.263</u>	<u>236.111</u>
	Short-term liabilities in total	<u>1.275.192</u>	<u>942.334</u>
	<b>Liabilities in total</b>	<b><u>1.744.119</u></b>	<b><u>1.411.261</u></b>
	<b>Equity and liabilities in total</b>	<b><u>461.955</u></b>	<b><u>354.211</u></b>

- 1 **Uncertainties concerning the enterprise's ability to continue as a going concern**
- 7 **Mortgage and securities**
- 8 **Contingencies**

## Notes

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All amounts in DKK.

	<u>2017</u>	<u>2016</u>
<b>1. Uncertainties concerning the enterprise's ability to continue as a going concern</b>		
The Company's management shall submit this report under the condition of continued operation. Management believes that there is no significant risk to the company's continued operation. The reason for this assessment is that OSKA Textilvertriebs GmbH has submitted a declaration of support and subordination agreement put into force until 30 June 2019. OSKA Textilvertriebs GmbH declares that they will support the company with sufficient liquidity. The Company's management assess also that it can rebuild its capital through the next year's earnings.		
<b>2. Staff costs</b>		
Salaries and wages	710.108	556.868
Other costs for social security	7.100	5.301
Other staff costs	7.135	6.519
	<u><b>724.343</b></u>	<u><b>568.688</b></u>
 Average number of employees	 <u>2</u>	 <u>2</u>
<b>3. Other financial costs</b>		
Financial costs, group enterprises	9.379	13.365
Other financial costs	5.714	4.301
	<u><b>15.093</b></u>	<u><b>17.666</b></u>
<b>4. Other plants, operating assets, and fixtures and furniture</b>		
Cost 1 January 2017	<u>175.959</u>	<u>175.959</u>
<b>Cost 31 December 2017</b>	<u><b>175.959</b></u>	<u><b>175.959</b></u>
Amortisation and writedown 1 January 2017	-109.034	-73.838
Depreciation for the year	-35.188	-35.196
<b>Amortisation and writedown 31 December 2017</b>	<u><b>-144.222</b></u>	<u><b>-109.034</b></u>
 <b>Book value 31 December 2017</b>	 <u><b>31.737</b></u>	 <u><b>66.925</b></u>

## Notes

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All amounts in DKK.

	<u>31/12 2017</u>	<u>31/12 2016</u>
<b>5. Contributed capital</b>		
Contributed capital 1 January 2017	<u>80.000</u>	<u>80.000</u>
	<b><u>80.000</u></b>	<b><u>80.000</u></b>

The share capital consists of 80 shares, each with a nominal value of DKK 1,000.

<b>6. Results brought forward</b>		
Results brought forward 1 January 2017	-1.137.050	-1.005.982
Profit or loss for the year brought forward	<u>-225.114</u>	<u>-131.068</u>
	<b><u>-1.362.164</u></b>	<b><u>-1.137.050</u></b>

### 7. Mortgage and securities

There are no mortgages and securities.

### 8. Contingencies

#### Contingent liabilities

There are no contingent liabilities etc.

## Accounting policies used

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The annual report for OSKA Danmark ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

### Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

### Translation of foreign currency

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.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

## The profit and loss account

### Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods, other operating income and external costs.

## Accounting policies used

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The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

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

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise.

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

### **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, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

### **Net financials**

Net financials comprise interest, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

### **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 balance sheet

### **Tangible fixed assets**

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of 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 book value, the amortisation discontinues.

## Accounting policies used

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

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	<i>Useful life</i>
<i>Other plants, operating assets, fixtures and furniture</i>	<i>3-5 years</i>

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

### **Inventories**

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

### **Debtors**

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable 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.

### **Equity**

#### **Corporate tax and deferred tax**

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

## Accounting policies used

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### Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

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