

Annual report 2018/19

Company reg. no. 35 65 00 91

Seidensticker Scandinavia ApS

Raffinaderivej 10

2300 København S

The annual report have been submitted and approved by the general meeting on 30 August 2019.

Silvia Bentzinger
Chairman of the meeting

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Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management's review	
Company data	5
Financial highlights	6
Management's review	7
Annual accounts 1 May 2018 - 30 April 2019	
Accounting policies used	8
Profit and loss account	12
Balance sheet	13
Notes	15

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

The board of directors and the managing director have today presented the annual report of Seidensticker Scandinavia ApS for the financial year 1 May 2018 to 30 April 2019.

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 30 April 2019 and of the company's results of its activities in the financial year 1 May 2018 to 30 April 2019.

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.

Copenhagen S, 30 August 2019.

Managing Director

Silvia Bentzinger

Board of directors

Gerd Markus Oliver Seidensticker

Martin Friedrich

Frank-Walter Seidensticker

Independent auditor's report

To the shareholders of Seidensticker Scandinavia ApS

Opinion

We have audited the annual accounts of Seidensticker Scandinavia ApS for the financial year 1 May 2018 to 30 April 2019, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 30 April 2019 and of the results of the company's operations for the financial year 1 May 2018 to 30 April 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities 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. The management is also 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.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

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.

Independent auditor's report

In connection with our audit 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 audit, 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.

Glostrup, 30 August 2019

PKF Munkebo Vindelev
State Authorised Public Accountants
Company reg. no. 14 11 92 99

Peter Krogsrud Eriksen
State Authorised Public Accountant
mne34335

Company data

The company

Seidensticker Scandinavia ApS
Raffinaderivej 10
2300 København S

Company reg. no. 35 65 00 91
Established: 13 January 2014
Domicile: City of Copenhagen
Financial year: 1 May - 30 April
5th financial year

Board of directors

Gerd Markus Oliver Seidensticker
Martin Friedrich
Frank-Walter Seidensticker

Managing Director

Silvia Bentzinger

Auditors

PKF Munkebo Vindelev, Statsautoriseret Revisionsaktieselskab
Hovedvejen 56
2600 Glostrup

Bankers

Deutsche Bank AG, Herforder 23, DE-33602 Biefeld

Financial highlights

DKK in thousands.	<u>2018/19</u>	<u>2017/18</u>	<u>2016/17</u>	<u>2015/16</u>	<u>2014/15</u>
Profit and loss account:					
Gross profit	1.468	1.429	1.405	1.474	-1.388
Earnings before interest	180	80	76	-78	-2.785
Net financials	-126	-123	-165	-111	-9
Results for the year	55	-683	-79	-159	-2.194
Balance sheet:					
Balance sheet sum	1.020	1.047	1.999	3.061	1.402
Investments in tangible fixed assets represent	0	0	125	30	0
Equity	-3.011	-3.066	-2.382	-2.303	-2.144
Employees:					
Average number of full time employees	2	2	2	2	2

The financial highlights for 2014/15 comprise the period 13 January 2014 - 30 April 2015

Management's review

The principal activities of the company

The significant activities of the enterprise is to sell shirts.

Development in activities and financial matters

The results from ordinary activities after tax are DKK 55.000 against DKK -683.000 last year. The management consider the results satisfactory.

The company has lost more than half of the equity. The management anticipates that the equity can be restored through future earnings.

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.

Accounting policies used

The annual report for Seidensticker Scandinavia 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.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

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 concern 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.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

Accounting policies used

Currency adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in the equity. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised in the equity.

THE PROFIT AND LOSS ACCOUNT

Gross profit

The gross profit comprises the net turnover, cost of sales and other external costs.

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.

Cost of sales include costs for the purchase of raw materials and consumables less discounts.

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

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 tangible fixed assets.

Net financials

Net financials comprise interest. Financial income and expenses are recognised in the profit and loss account with the amounts that concern 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.

Accounting policies used

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.

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:

	Useful life
Other plants, operating assets, fixtures and furniture	3-5 years

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.

Leasing contracts

Leasing contracts are considered operational leasing. Payments in connection with operational leasing and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operational leasing and rental agreements are recognised under contingencies etc.

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.

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.

Accounting policies used

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.

Liabilities

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

Profit and loss account 1 May - 30 April

All amounts in DKK.

<u>Note</u>	<u>2018/19</u>	<u>2017/18</u>
Gross profit	1.467.767	1.428.938
1 Staff costs	-1.195.079	-1.241.031
Depreciation and writedown relating to tangible fixed assets	-92.434	-107.599
Results before net financials	180.254	80.308
Other financial income	3.271	20.933
Other financial costs	-128.996	-143.731
Results before tax	54.529	-42.490
2 Tax on ordinary results	0	-640.811
Results for the year	54.529	-683.301
Proposed distribution of the results:		
Allocated to results brought forward	54.529	0
Allocated from results brought forward	0	-683.301
Distribution in total	54.529	-683.301

Balance sheet 30 April

All amounts in DKK.

Assets		
Note	2019	2018
Fixed assets		
3 Other plants, operating assets, and fixtures and furniture	62.576	155.010
Tangible fixed assets in total	<u>62.576</u>	<u>155.010</u>
4 Deposits	50.640	50.562
Financial fixed assets in total	<u>50.640</u>	<u>50.562</u>
Fixed assets in total	<u>113.216</u>	<u>205.572</u>
Current assets		
Amounts owed by group enterprises	738.688	703.779
Other debtors	53.803	68.194
Accrued income and deferred expenses	23.296	23.306
Debtors in total	<u>815.787</u>	<u>795.279</u>
Available funds	91.345	46.512
Current assets in total	<u>907.132</u>	<u>841.791</u>
Assets in total	<u>1.020.348</u>	<u>1.047.363</u>

Balance sheet 30 April

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2019</u>	<u>2018</u>
Equity			
5	Contributed capital	50.000	50.000
6	Results brought forward	<u>-3.060.997</u>	<u>-3.115.526</u>
	Equity in total	<u>-3.010.997</u>	<u>-3.065.526</u>
 Liabilities			
	Bank debts	0	14.045
	Debt to group enterprises	3.749.481	3.748.282
	Other debts	<u>281.864</u>	<u>350.562</u>
	Short-term liabilities in total	<u>4.031.345</u>	<u>4.112.889</u>
	Liabilities in total	<u>4.031.345</u>	<u>4.112.889</u>
	Equity and liabilities in total	<u>1.020.348</u>	<u>1.047.363</u>

7 Contingencies

Notes

All amounts in DKK.

	<u>2018/19</u>	<u>2017/18</u>
1. Staff costs		
Salaries and wages	1.003.986	1.027.367
Pension costs	31.978	33.576
Other costs for social security	6.532	6.816
Other staff costs	152.583	173.272
	<u>1.195.079</u>	<u>1.241.031</u>
Average number of employees	<u>2</u>	<u>2</u>
2. Tax on ordinary results		
Adjustment for the year of deferred tax	<u>0</u>	<u>640.811</u>
	<u>0</u>	<u>640.811</u>
	<u>30/4 2019</u>	<u>30/4 2018</u>
3. Other plants, operating assets, and fixtures and furniture		
Cost 1 May 2018	<u>537.994</u>	<u>537.994</u>
Cost 30 April 2019	<u>537.994</u>	<u>537.994</u>
Depreciation and writedown 1 May 2018	-382.984	-275.385
Depreciation for the year	<u>-92.434</u>	<u>-107.599</u>
Depreciation and writedown 30 April 2019	<u>-475.418</u>	<u>-382.984</u>
Book value 30 April 2019	<u>62.576</u>	<u>155.010</u>
4. Deposits		
Cost 1 May 2018	50.562	49.089
Additions during the year	<u>78</u>	<u>1.473</u>
Cost 30 April 2019	<u>50.640</u>	<u>50.562</u>
Book value 30 April 2019	<u>50.640</u>	<u>50.562</u>

Notes

All amounts in DKK.

	<u>30/4 2019</u>	<u>30/4 2018</u>
5. Contributed capital		
Contributed capital 1 May 2018	50.000	50.000
	<u>50.000</u>	<u>50.000</u>
6. Results brought forward		
Results brought forward 1 May 2018	-3.115.526	-2.432.225
Profit or loss for the year brought forward	54.529	-683.301
	<u>-3.060.997</u>	<u>-3.115.526</u>

7. Contingencies

Contingent assets

The company has entered into a lease premises. The annual rent amounts t.DKK 213. The agreement may be terminated with 6 months' notice. The rent obligation amounts t.DKK 107.

The company has an unrecognized tax asset of t.DKK 630, as it is uncertain whether it can be utilized in future earnings within a period of 3-5 years.