

Seidensticker Scandinavia ApS

Raffinaderivej 10, 2300 Copenhagen S

Company reg. no. 35 65 00 91

Annual report

2020/21

The annual report have been submitted and approved by the general meeting on 22 July 2021.

Silvia Bentzinger
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, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of Seidensticker Scandinavia ApS for the financial year 2020/21.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 30 April 2021 and of the company's results of activities in the financial year 1 May 2020 – 30 April 2021.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Copenhagen S, 22 July 2021

Managing Director

Silvia Bentzinger

Board of directors

Gerd Markus Oliver Seidensticker

Silvia Bentzinger

Frank-Walter Seidensticker

Independent auditor's report

To the shareholders of Seidensticker Scandinavia ApS

Opinion

We have audited the financial statements of Seidensticker Scandinavia ApS for the financial year 1 May 2020 - 30 April 2021, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 30 April 2021 and of the results of the company's activities for the financial year 1 May 2020 - 30 April 2021 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 section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 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 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 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 and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Glostrup, 22 July 2021

PKF Munkebo Vindelev

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

Peter Krogsrud Eriksen
State Authorised Public Accountant
mne34335

Company information

The company	Seidensticker Scandinavia ApS Raffinaderivej 10 2300 Copenhagen S
	Company reg. no. 35 65 00 91 Established: 13 January 2014 Domicile: City of Copenhagen Financial year: 1 May 2020 - 30 April 2021 7th financial year
Board of directors	Gerd Markus Oliver Seidensticker Silvia Bentzinger Frank-Walter Seidensticker
Managing Director	Silvia Bentzinger
Auditors	PKF Munkebo Vindelev, Statsautoriseret Revisionsaktieselskab Hovedvejen 56 2600 Glostrup
Bankers	Deutsche Bank AG, Herforder Straße 23, DE-33602 Bielefeld

Financial highlights

DKK in thousands.	<u>2020/21</u>	<u>2019/20</u>	<u>2018/19</u>	<u>2017/18</u>	<u>2016/17</u>
Income statement:					
Gross profit	-89	883	1.323	1.429	1.405
Earnings before interest	-114	214	180	80	76
Net financials	-114	-134	-126	-123	-165
Net profit or loss for the year	-228	79	55	-683	-79
Statement of financial position:					
Balance sheet total	231	998	1.020	1.047	1.999
Equity	-3.160	-2.932	-3.011	-3.066	-2.382
Employees:					
Average number of full-time employees	0	1	2	2	2

Management commentary

The principal activities of the company

The significant activities of the enterprise is to sell shirts.

Development in activities and financial matters

Loss from ordinary activities after tax totals DKK -228.000 against DKK 79.000 last year. Management considers the net loss for the year less satisfactory.

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

Events occurring after the end of 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

The annual report for Seidensticker Scandinavia ApS 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, writedowns 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.

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.

Accounting policies

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

Income statement

Gross loss

Gross loss comprises the revenue, cost of sales and other external costs.

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

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.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts.

Other external costs comprise costs incurred for sales, administration, premises and vehicle.

Staff costs

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

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of tangible assets.

Financial income and expenses

Financial income and expenses comprise interest and unrealised capital gains. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Statement of financial position

Property, plant, and equipment

Property is measured at cost plus revaluations and less accrued depreciation and writedown for impairment. Land is not subject to depreciation.

The depreciable amount is cost plus revaluations at fair value less expected residual value after the end of the useful life of the asset. The amortisation period is fixed at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount of the asset, 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:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

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 under depreciation.

Leases

All other 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

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

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

Prepayments and accrued income

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

Cash on hand and demand deposits

Cash on hand and demand deposits 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.

Accounting policies

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.

Liabilities other than provisions

Other liabilities concerning payables to group enterprises and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 May - 30 April

All amounts in DKK.

<u>Note</u>	<u>2020/21</u>	<u>2019/20</u>
Gross loss	-89.263	883.347
1 Staff costs	0	-638.654
Depreciation and impairment of property, land, and equipment	-24.735	-31.032
Profit before net financials	-113.998	213.661
Other financial income	0	6.936
2 Other financial costs	-114.054	-141.243
Net profit or loss for the year	-228.052	79.354
Proposed appropriation of net profit:		
Transferred to retained earnings	0	79.354
Allocated from retained earnings	-228.052	0
Total allocations and transfers	-228.052	79.354

Statement of financial position at 30 April

All amounts in DKK.

Assets		
<u>Note</u>	<u>2021</u>	<u>2020</u>
Non-current assets		
3 Other fixtures and fittings, tools and equipment	6.809	31.544
Total property, plant, and equipment	6.809	31.544
4 Deposits	52.237	52.237
Total investments	52.237	52.237
Total non-current assets	59.046	83.781
Current assets		
Receivables from group enterprises	58.146	502.973
Other receivables	14.055	112.094
Prepayments and accrued income	0	25.899
Total receivables	72.201	640.966
Cash on hand and demand deposits	99.400	273.099
Total current assets	171.601	914.065
Total assets	230.647	997.846

Statement of financial position at 30 April

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2021</u>	<u>2020</u>
Equity		
Contributed capital	50.000	50.000
Retained earnings	-3.209.694	-2.981.642
Total equity	-3.159.694	-2.931.642
Liabilities other than provisions		
Payables to group enterprises	3.255.884	3.757.889
Other payables	134.457	171.599
Total short term liabilities other than provisions	3.390.341	3.929.488
Total liabilities other than provisions	3.390.341	3.929.488
Total equity and liabilities	230.647	997.846

5 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 May 2019	50.000	-3.060.997	-3.010.997
Profit or loss for the year brought forward	0	79.355	79.355
Equity 1 May 2020	50.000	-2.981.642	-2.931.642
Profit or loss for the year brought forward	0	-228.052	-228.052
	50.000	-3.209.694	-3.159.694

Notes

All amounts in DKK.

	<u>2020/21</u>	<u>2019/20</u>
1. Staff costs		
Salaries and wages	0	616.033
Pension costs	0	11.365
Other costs for social security	0	3.692
Other staff costs	0	7.564
	<u>0</u>	<u>638.654</u>
Average number of employees	<u>0</u>	<u>1</u>
2. Other financial costs		
Financial costs, group enterprises	110.976	114.127
Other financial costs	3.078	27.116
	<u>114.054</u>	<u>141.243</u>
	<u>30/4 2021</u>	<u>30/4 2020</u>
3. Other fixtures and fittings, tools and equipment		
Cost 1 May 2020	<u>537.994</u>	<u>537.994</u>
Cost 30 April 2021	<u>537.994</u>	<u>537.994</u>
Depreciation 1 May 2020	-506.450	-475.418
Depreciation for the year	-24.735	-31.032
Depreciation 30 April 2021	<u>-531.185</u>	<u>-506.450</u>
Carrying amount, 30 April 2021	<u>6.809</u>	<u>31.544</u>
4. Deposits		
Cost 1 May 2020	52.237	50.640
Additions during the year	0	1.597
Cost 30 April 2021	<u>52.237</u>	<u>52.237</u>
Carrying amount, 30 April 2021	<u>52.237</u>	<u>52.237</u>

Notes

All amounts in DKK.

5. Contingencies

Contingent assets

The company has an unrecognized tax asset of t.DKK 659, as it is uncertain whether it can be utilized in future earnings within a period of 3-5 years.