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BDO Statsautoriseret revisionsaktieselskab
Vestre Ringgade 28
DK-8000 Aarhus C
CVR no. 20 22 26 70

TEERETAIL APS

VESTERÅ 14 1. TH., 9000 AALBORG

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 17 May 2024

Morten Pedersen Ortwed

CVR NO. 35 65 93 07

CONTENTS

COMPANY DETAILS

Company	TeeRetail ApS Vesterå 14 1. th. 9000 Aalborg	
	CVR No.:	35 65 93 07
	Established:	6 February 2014
	Municipality:	Aalborg
	Financial Year:	1 January - 31 December
Executive Board	Benjamin Philip Knudsen	
Auditor	BDO Statsautoriseret revisionsaktieselskab Vestre Ringgade 28 8000 Aarhus C	
Bank	Sparekassen Vendsyssel Tankedraget 5 9000 Aalborg	
	Nordea Prinsensgade 15 9000 Aalborg	
Law Firm	Advokatfirmaet Rödstenen Dalgas Avenue 42 8000 Aarhus C	

MANAGEMENT'S STATEMENT

Today the Executive Board have discussed and approved the Annual Report of TeeRetail ApS for the financial year 1 January - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

The Management Commentary includes in my opinion a fair presentation of the matters dealt with in the Commentary.

I recommend the Annual Report be approved at the Annual General Meeting.

Aalborg, 16 May 2024

Executive Board

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Benjamin Philip Knudsen

THE INDEPENDENT AUDITOR'S REPORT

To the Shareholder of TeeRetail ApS

Conclusion
We have performed an extended review of the Financial Statements of TeeRetail ApS for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

Based on the work performed in our opinion, the Financial Statements give a true and fair view of the Company's financial position 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 Conclusion
We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of Financial Statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Extended Review 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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 Extended Review of the Financial Statements
Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

Statement on the Management Commentary
Management is responsible for the Management Commentary.

Our conclusion on the Financial Statements does not cover the Management Commentary, and we do not express any form of assurance conclusion thereon.

THE INDEPENDENT AUDITOR'S REPORT

In connection with our extended review of the Financial Statements, our responsibility is to read the Management Commentary and, in doing so, consider whether the Management Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, 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 conclude that the Management Commentary is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in the Management Commentary.

Aarhus, 16 May 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Thomas Nørgaard Christensen
State Authorised Public Accountant
MNE no. mne40048

MANAGEMENT COMMENTARY

Principal activities
The principal activities comprise operating trading within clothing industry.

Development in activities and financial and economic position
The Management considers the result satisfactory.

Significant events after the end of the financial year
No events have occurred after the end of the financial year of material importance for the Company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
GROSS PROFIT		**13.509.241**	**13.160.524**
Staff costs	1	-10.981.464	-11.147.681
Depreciation, amortisation and impairment losses		-382.939	-128.308
OPERATING PROFIT		**2.144.838**	**1.884.535**
Other financial income	2	20.014	303.633
Other financial expenses	3	-1.879.457	-993.679
PROFIT BEFORE TAX		**285.395**	**1.194.489**
Tax on profit/loss for the year	4	-88.278	-291.464
PROFIT FOR THE YEAR		**197.117**	**903.025**

PROPOSED DISTRIBUTION OF PROFIT

Retained earnings		197.117	903.025
TOTAL		**197.117**	**903.025**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Intangible fixed assets acquired		821.385	486.630
Goodwill		47.500	0
Intangible assets	5	**868.885**	**486.630**
Other plant, machinery tools and equipment		926.460	451.141
Leasehold improvements		52.147	0
Property, plant and equipment	6	**978.607**	**451.141**
Rent deposit and other receivables		1.145.408	390.692
Financial non-current assets	7	**1.145.408**	**390.692**
NON-CURRENT ASSETS		**2.992.900**	**1.328.463**
Finished goods and goods for resale		30.958.791	29.850.955
Inventories		**30.958.791**	**29.850.955**
Trade receivables		4.097.532	5.038.697
Receivables from group enterprises		2.079.361	1.604.347
Other receivables		38.585	499.278
Joint tax contribution receivable		63.522	0
Prepayments		617.934	280.490
Receivables		**6.896.934**	**7.422.812**
Cash and cash equivalents		**383.891**	**1.024.196**
CURRENT ASSETS		**38.239.616**	**38.297.963**
ASSETS		**41.232.516**	**39.626.426**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share Capital		50.000	50.000
Retained earnings		10.860.658	10.663.541
EQUITY		**10.910.658**	**10.713.541**
Provision for deferred tax		296.499	144.699
PROVISIONS		**296.499**	**144.699**
Frozen holiday pay		87.015	82.343
Non-current liabilities	8	**87.015**	**82.343**
Bank debt		6.383.142	2.391.197
Trade payables		17.221.928	18.999.240
Debt to Group companies		2.593.870	2.250.418
Corporation tax payable		0	257.208
Other liabilities		3.739.404	4.787.780
Current liabilities		**29.938.344**	**28.685.843**
LIABILITIES		**30.025.359**	**28.768.186**
EQUITY AND LIABILITIES		**41.232.516**	**39.626.426**
Contingencies etc.	9		
Charges and securities	10		

EQUITY

	Share Capital	Retained earnings	Total
Equity at 1 January 2023	50.000	10.663.541	10.713.541
Proposed profit allocation		197.117	197.117
Equity at 31 December 2023	**50.000**	**10.860.658**	**10.910.658**

NOTES

	2023 DKK	2022 DKK	Note
Staff costs			1
Average number of full time employees	13	13	
Wages and salaries	10.734.111	10.923.764	
Pensions	36.000	36.000	
Social security costs	122.165	117.252	
Other staff costs	89.188	70.665	
	10.981.464	**11.147.681**	
Other financial income			2
Other interest income	20.014	303.633	
	20.014	**303.633**	
Other financial expenses			3
Other interest expenses	1.879.457	993.679	
	1.879.457	**993.679**	
Tax on profit/loss for the year			4
Calculated tax on taxable income of the year	-63.522	257.208	
Adjustment of deferred tax	151.800	34.256	
	88.278	**291.464**	

Intangible assets — Note 5

	Intangible fixed assets acquired	Goodwill
Cost at 1 January 2023	533.281	0
Additions	469.737	50.000
Cost at 31 December 2023	**1.003.018**	**50.000**
Amortisation at 1 January 2023	46.651	0
Amortisation for the year	134.982	2.500
Amortisation at 31 December 2023	**181.633**	**2.500**
Carrying amount at 31 December 2023	**821.385**	**47.500**

NOTES

Note

Property, plant and equipment 6

	Other plant, machinery tools and equipment	Leasehold improvements
Cost at 1 January 2023	577.422	41.958
Additions	717.742	55.181
Disposals	0	-41.958
Cost at 31 December 2023	**1.295.164**	**55.181**
Depreciation and impairment losses at 1 January 2023	126.282	41.958
Depreciation for the year	242.422	-38.924
Depreciation and impairment losses at 31 December 2023	**368.704**	**3.034**
Carrying amount at 31 December 2023	**926.460**	**52.147**

Financial non-current assets 7

	Rent deposit and other receivables
Cost at 1 January 2023	309.692
Additions	835.716
Cost at 31 December 2023	**1.145.408**
Carrying amount at 31 December 2023	**1.145.408**

Long-term liabilities 8

	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Frozen holiday pay	87.015	0	87.015	82.343
	87.015	**0**	**87.015**	**82.343**

NOTES

	Note
Contingencies etc.	**9**

Contingent liabilities
The company has entered into rent commitments, which at the balance sheet date amount to tDKK 414 during the period of notice.

As security for suppliers, a payment guarantee at tDKK 9,250 has been provided.

Joint liabilities
The company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of BENJAMIN PHILIP HOLDING ApS, which serves as management company for the joint taxation.

Charges and securities	**10**

As security for the bank debt the company has provided a floating charge at nominal amount tDKK 13,050. The floating charge comprises the following assets whose book value represent at the balance sheet date:

Other plant, machinery tools and equipment	926.460
Trade receivables	4.097.532
Inventories	30.958.791

ACCOUNTING POLICIES

The Annual Report of TeeRetail ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year, except for the following changes.

Change in accounting policies and classification
The accounting policies have been changed in the following areas:

- The company's creditor fees reclassified from other financial expenses to raw materials and consumables used. Reclassifications have no effect on results, only affects of gross profit and other financial expenses.

  The reason for the change in practice is the management's opinion that it reflects the correct value, so that it is considered better to obtain a correct insight in the company's financial position. Comparative figures are adapted and corrected according to the change in practice.

INCOME STATEMENT

Net revenue
Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses
Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

ACCOUNTING POLICIES

BALANCE SHEET

Intangible fixed assets
Software is measured at cost less accumulated amortisation. Software is amortised on a straight-line basis over the expected useful life which is estimated to 5 years.

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 5 years. The period of amortisation is determined based on an assessment of the acquired Company’s position in the market and earnings profile, and the industry-specific conditions.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Tangible fixed assets
Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment...	3 years	0 %
Leasehold improvements...	5 years	0 %

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

Financial non-current assets
Deposits include rental deposits which are recognised and measured at cost. Deposits are not depreciated.

Impairment of fixed assets
The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value,, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

ACCOUNTING POLICIES

Inventories
Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct payroll cost and other direct production cost.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
The amortised cost of current liabilities corresponds usually to the nominal value.

ACCOUNTING POLICIES

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.