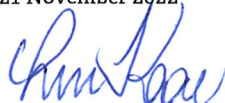


FORESEEN FASHION A/S  
Fredskovvej 5  
7330 Brande  
CVR no. 36 43 51 35

# Annual report for 2021/22

Adopted at the annual general meeting on  
21 November 2022



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Lise Kaae  
chairman

**BESTSELLER**

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## Statement by management on the annual report

The Executive board and executive board have today discussed and approved the annual report of FORESEEN FASHION A/S for the financial year 1 August 2021 - 31 July 2022.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 July 2022 and of the results of the company's operations for the financial year 1 August 2021 - 31 July 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Aarhus, 21 November 2022

**Executive board**

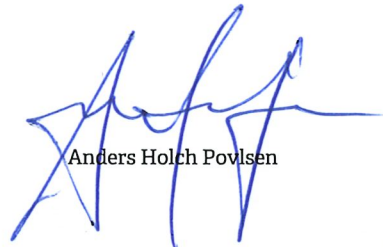


Anders Holch Povlsen

**Executive board**



Lise Kaae  
chairman



Anders Holch Povlsen



Anne Kirstine Storm Holch Povlsen

## **Independent auditor's report**

### ***To the shareholder of FORESEEN FASHION A/S***

#### **Opinion**

We have audited the financial statements of FORESEEN FASHION A/S for the financial year 1 August 2021 - 31 July 2022, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes. 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 company's financial position at 31 July 2022 and of the results of the company's operations for the financial year 1 August 2021 - 31 July 2022 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 " (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

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 requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

#### **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 the 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 judgement 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 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.

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.

## Independent auditor's report

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 Statements Act. We did not identify any material misstatement of management's review.

Aarhus, 21 November 2022

EY  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

  
Morten Friis  
Statsautoriseret revisor  
mne32732

  
Søren Jensen  
Statsautoriseret revisor  
mne34132

**Company details****The company**

FORESEEN FASHION A/S  
Fredskovvej 5  
7330 Brande

CVR no.: 36 43 51 35

Reporting period: 1 August 2021 - 31 July 2022

Domicile: Ikast-Brande

**Executive board**

Lise Kaae, chairman  
Anders Holch Povlsen  
Anne Kirstine Storm Holch Povlsen

**Executive board**

Anders Holch Povlsen

**Auditors**

EY  
Godkendt Revisionspartnerselskab  
Værkmestergade 25  
8000 Aarhus C

## **Management's review**

### **Business review**

The company's purpose service business. In the from of cleaning, maintenance, ect.

### **Financial review**

The company's income statement for the year ended 31 July 2022 shows a profit of DKK 1.574.267, and the balance sheet at 31 July 2022 shows equity of DKK 13.806.389.



## **Accounting policies**

The annual report of FORESEEN FASHION A/S for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

## **Income statement**

### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

### **Revenue**

Revenues relating to services are recognized on a straight-line basis as the services are provided.

### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### **Staff costs**

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

## **Accounting policies**

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

### **Tax on profit for the year**

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## **Balance sheet**

### **Receivables**

Receivables are measured at amortised cost.

### **Cash at bank and in hand**

Cash at bank and in hand comprise cash at banks.

### **Equity**

#### **Dividends**

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

## **Accounting policies**

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

### **Liabilities**

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

**Income statement 1 August - 31 July**

	<b>Note</b>	<b>2021/22</b> DKK	<b>2020/21</b> DKK
<b>Gross profit</b>		<b>40.895.863</b>	<b>35.728.516</b>
Staff costs	1	-38.953.782	-33.903.730
<b>Profit before net financials</b>		<b>1.942.081</b>	<b>1.824.786</b>
Financial income	2	94.896	91.250
Financial costs	3	-18.332	-31.934
<b>Profit before tax</b>		<b>2.018.645</b>	<b>1.884.102</b>
Tax on profit for the year	4	-444.378	-414.722
<b>Profit/loss for the year</b>		<b>1.574.267</b>	<b>1.469.380</b>
 <b>Recommended appropriation of profit/loss</b>			
Retained earnings		1.574.267	1.469.380
		<b>1.574.267</b>	<b>1.469.380</b>

**Balance sheet 31 July**

	<b>Note</b>	<b>2022</b> DKK	<b>2021</b> DKK
<b>Assets</b>			
Receivables from group enterprises		14.634.706	14.777.135
Other receivables		<u>56.446</u>	<u>39.510</u>
<b>Receivables</b>		<b><u>14.691.152</u></b>	<b><u>14.816.645</u></b>
<b>Cash at bank and in hand</b>		<b><u>962.344</u></b>	<b><u>904.067</u></b>
<b>Total current assets</b>		<b><u>15.653.496</u></b>	<b><u>15.720.712</u></b>
<b>Total assets</b>		<b><u><u>15.653.496</u></u></b>	<b><u><u>15.720.712</u></u></b>

**Balance sheet 31 July**

	<b>Note</b>	<b>2022</b> DKK	<b>2021</b> DKK
<b>Equity and liabilities</b>			
Share capital		5.000.000	5.000.000
Retained earnings		8.806.389	7.232.122
<b>Equity</b>		<b>13.806.389</b>	<b>12.232.122</b>
Trade payables		22.444	3.823
Payables to group enterprises		76.591	80.504
Corporation tax		444.378	414.722
Other payables		1.303.694	2.989.541
<b>Total current liabilities</b>		<b>1.847.107</b>	<b>3.488.590</b>
<b>Total liabilities</b>		<b>1.847.107</b>	<b>3.488.590</b>
<b>Total equity and liabilities</b>		<b>15.653.496</b>	<b>15.720.712</b>
Events after the balance sheet date	5		
Contingent liabilities	6		
Mortgages and collateral	7		
Related parties and ownership structure	8		

**Statement of changes in equity**

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 August 2021	5.000.000	7.232.122	12.232.122
Net profit/loss for the year	0	1.574.267	1.574.267
<b>Equity at 31 July 2022</b>	<b><u>5.000.000</u></b>	<b><u>8.806.389</u></b>	<b><u>13.806.389</u></b>

**Notes**

	<b>2021/22</b>	<b>2020/21</b>
	DKK	DKK
<b>1 Staff costs</b>		
Wages and salaries	33.421.747	29.342.198
Pensions	3.052.286	2.700.886
Other social security costs	797.866	753.843
Other staff costs	1.681.883	1.106.803
	<u><b>38.953.782</b></u>	<u><b>33.903.730</b></u>
Average number of employees	<u>94</u>	<u>87</u>
<b>2 Financial income</b>		
Interest received from group enterprises	92.660	91.250
Exchange adjustments	2.236	0
	<u><b>94.896</b></u>	<u><b>91.250</b></u>
<b>3 Financial costs</b>		
Other financial costs	18.332	31.934
	<u><b>18.332</b></u>	<u><b>31.934</b></u>
<b>4 Tax on profit for the year</b>		
Current tax for the year	444.378	414.722
	<u><b>444.378</b></u>	<u><b>414.722</b></u>



## Notes

### 5 Events after the balance sheet date

No events materially affecting the financial position have occurred after the balance sheet date.

### 6 Contingent liabilities

#### Contingent liabilities related to group enterprises

The Company participates in a joint Danish taxation arrangement with HEARTLAND A/S serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore secondarily liable for income taxes etc for the jointly taxed entities as well as to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

### 7 Mortgages and collateral

There are no collaterals per 31 July 2022

### 8 Related parties and ownership structure

#### Controlling interest

The company is 100 % owned by HEARTLAND A/S, Store Torv 1, 8000 Aarhus C. FORESEEN FASHION A/S' accounts are included in the consolidated accounts for HEARTLAND A/S, Store Torv 1, 8000 Aarhus C as the smallest group.