

MM & TEN A/S
Ejlersvej 24
6000 Kolding
Business Registration No
36956348

Annual report 2018

The Annual General Meeting adopted the annual report on 16.03.2019

Chairman of the General Meeting

Name: Kim Hyldahl

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Entity details

Entity

MM & TEN A/S
Ejlersvej 24
6000 Kolding

Central Business Registration No (CVR): 36956348

Registered in: Kolding

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Hans-Christian Ohrt, chairman
David Skjødt, vice-chairman
Kim Hyldahl

Executive Board

Kim Hyldahl, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Egtved Allé 4
6000 Kolding

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of MM & TEN A/S for the financial year 01.01.2018 - 31.12.2018.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We consider the preconditions for not auditing the financial statements for the financial year 01.01.2018 - 31.12.2018 as complied with.

We recommend the annual report for adoption at the Annual General Meeting.

Kolding, 22.01.2019

Executive Board

Kim Hyldahl
CEO

Board of Directors

Hans-Christian Ohrt
chairman

David Skjødt
vice-chairman

Kim Hyldahl

The independent auditor's compilation report

To Management of MM & TEN A/S

We have compiled the financial statements of MM & TEN A/S for the financial year 01.01.2018 - 31.12.2018 based on the Entity's bookkeeping records and other information Management has provided.

These financial statements comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct for professional accountants, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile the financial statements are Management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion about whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Kolding, 22.01.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Suzette Demediuk Steen Nielsen
State Authorised Public Accountant
Identification No (MNE) mne32207

Management commentary

Primary activities

The company's main activities are design and sale of men's clothing.

Development in activities and finances

The profit after tax for the year amounted to a loss of DKK 33k against a loss of DKK 893k last year. Management considers the result unsatisfactory.

Management has decided to set to activities so far and there are no current plans to resume operations.

The company has lost its share capital and is subject to capital loss provisions in the Companies Act. The company's primary creditor is associated company Hyldahl Holding, Kolding ApS who will continue to support the company in 2019. The annual accounts has therefore been prepared for continued use.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Gross loss		(42.720)	(720.155)
Staff costs	2	504	(411.194)
Depreciation, amortisation and impairment losses		<u>0</u>	<u>(12.944)</u>
Operating profit/loss		(42.216)	(1.144.293)
Other financial income		0	10
Other financial expenses		<u>(541)</u>	<u>(1.060)</u>
Profit/loss before tax		(42.757)	(1.145.343)
Tax on profit/loss for the year	3	<u>9.406</u>	<u>252.697</u>
Profit/loss for the year		<u>(33.351)</u>	<u>(892.646)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(33.351)</u>	<u>(892.646)</u>
		<u>(33.351)</u>	<u>(892.646)</u>

Balance sheet at 31.12.2018

<u>Notes</u>	<u>2018</u> <u>DKK</u>	<u>2017</u> <u>DKK</u>
Receivables from group enterprises	206.051	0
Other receivables	98	13.184
Joint taxation contribution receivable	7.826	254.277
Receivables	<u>213.975</u>	<u>267.461</u>
Cash	<u>57.787</u>	<u>87.456</u>
Current assets	<u>271.762</u>	<u>354.917</u>
Assets	<u>271.762</u>	<u>354.917</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		500.000	500.000
Retained earnings		<u>(1.814.234)</u>	<u>(1.780.883)</u>
Equity		<u>(1.314.234)</u>	<u>(1.280.883)</u>
Deferred tax		<u>0</u>	<u>1.580</u>
Provisions		<u>0</u>	<u>1.580</u>
Trade payables		12.000	12.000
Payables to shareholders and management		<u>1.573.996</u>	<u>1.622.220</u>
Current liabilities other than provisions		<u>1.585.996</u>	<u>1.634.220</u>
Liabilities other than provisions		<u>1.585.996</u>	<u>1.634.220</u>
Equity and liabilities		<u>271.762</u>	<u>354.917</u>
Going concern	1		
Contingent liabilities	4		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Total DKK
	<u> </u>	<u> </u>	<u> </u>
Equity beginning of year	500.000	(1.780.883)	(1.280.883)
Profit/loss for the year	<u> 0</u>	<u> (33.351)</u>	<u> (33.351)</u>
Equity end of year	<u> 500.000</u>	<u> (1.814.234)</u>	<u> (1.314.234)</u>

Notes

1. Going concern

The company has lost its share capital and is subject to capital loss provisions in the Companies Act. The company's primary creditor is associated company Hyldahl Holding, Kolding ApS who has issued a statement of support for continued funding in 2019. The annual accounts has therefore been prepared for continued use.

	2018	2017
	DKK	DKK
2. Staff costs		
Wages and salaries	0	375.051
Pension costs	0	31.533
Other social security costs	(504)	4.610
	(504)	411.194
Average number of employees	0	

	2018	2017
	DKK	DKK
3. Tax on profit/loss for the year		
Change in deferred tax	(1.580)	1.580
Refund in joint taxation arrangement	(7.826)	(254.277)
	(9.406)	(252.697)

4. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Kate Acquisition ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed entities, and from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including sale of intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Accounting policies

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

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