

Aesop Denmark ApS

Værnedamsvej 7, 1819 Frederiksberg C
CVR no. 37 15 86 74

Annual report for the financial year 01.07.17 - 31.12.18

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 09.07.19

Colin Holmes
Dirigent

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The company

Aesop Denmark ApS
Værnedamsvej 7
1819 Frederiksberg C

Website: www.aesop.com

CVR no.: 37 15 86 74
Founded: 14. oktober 2015
Financial year: 01.07 - 31.12

Executive Boards

Daniel Bense
Thomas Buisson
Michael Anthony O'Keeffe

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement of the Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.07.17 - 31.12.18 for Aesop Denmark ApS.

The annual report is presented in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the financial statements give a true and fair view of the the company's assets, liabilities and financial position as at 31.12.18 and of the results of the the company's activities for the financial year 01.07.17 - 31.12.18.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Frederiksberg, July 2, 2019

Executive Boards

Daniel Bense

Thomas Buisson

Michael Anthony O'Keeffe

To the capital owner of Aesop Denmark ApS**STATEMENT ON EXTENDED REVIEW OF FINANCIAL STATEMENTS**

We have performed an extended review of the financial statements of Aesop Denmark ApS for the financial year 01.07.17 - 31.12.18. The financial statements comprising income statement, balance sheet, statement of changes in equity and notes, inclusive of accounting policies are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

Management's responsibility for the financial statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for the internal control deemed necessary by the management for preparing financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the financial statements. We conducted our extended review in accordance with the Danish Business Authority's assurance standard for small businesses and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act.

This requires that we comply with the Danish Act on Approved Auditors and Audit Firms (Revisorloven) and the code of ethics of FRS – Danish Auditors and plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and in addition perform specifically required supplementary procedures with a view to obtaining additional assurance of our conclusion.

An extended review comprises procedures primarily consisting in enquiries to the management and, if appropriate, other company employees, analytical procedures, the specifically required supplementary procedures as well as an assessment of the evidence obtained.

The scope of procedures performed in an extended review is not as extensive as for an audit. Consequently, we do not express any opinion on the financial statements.

Opinion

Based on the work performed, we believe that the financial statements provide a fair presentation of the company's assets, equity and liabilities and financial position as at 31.12.18 and of the company's operations for the financial year 01.07.17 - 31.12.18 in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

STATEMENT REGARDING THE 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.

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 Statement Acts. We did not identify any material misstatement of management's review.

Soeborg, Copenhagen, July 2, 2019

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Lasse Rosenborg Petersen
State Authorized Public Accountant
MNE-no. mne42896

Primary activities

The company's activities comprise in the sale of body, hair and facial products.

Development in activities and financial affairs

The income statement for the period 01.07.17 - 31.12.18 shows a profit/loss of DKK -1,556,519 against DKK -618,836 for the period 01.07.16 - 30.06.17. The balance sheet shows equity of DKK -2,552,344.

Information on going concern

The company's budget for 2019 shows a positive result and the liability towards the parent company is a long term payables. On this basis, the annual report has been prepared on the basis of the going concern assumption.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

	01.07.17	2016/17
Note	31.12.18	DKK
	DKK	DKK
	7,855,307	3,194,264
2 Staff costs	-7,384,829	-3,277,255
Profit/loss before depreciation, amortisation, write-downs and impairment losses	470,478	-82,991
Depreciation, amortisation, impairment losses and write-downs of property, plant and equipment	-1,731,260	-689,153
Profit/loss before net financials	-1,260,782	-772,144
Financial income	-3,384	0
Financial expenses	-10,769	-5,752
Profit/loss before tax	-1,274,935	-777,896
Tax on profit or loss for the year	-281,584	159,060
Profit/loss for the year	-1,556,519	-618,836
Proposed appropriation account		
Retained earnings	-1,556,519	-618,836
Total	-1,556,519	-618,836

	31.12.18	30.06.17
Note	DKK	DKK
ASSETS		
Acquired rights	525,000	630,000
Total intangible assets	525,000	630,000
Other fixtures and fittings, tools and equipment	2,421,737	3,503,344
Total property, plant and equipment	2,421,737	3,503,344
Deposits	359,276	280,934
Total investments	359,276	280,934
Total non-current assets	3,306,013	4,414,278
Manufactured goods and goods for resale	684,576	631,842
Prepayments for goods	69,996	0
Total inventories	754,572	631,842
Trade receivables	1,994,565	756,256
Receivables from group enterprises	3,900	0
Deferred tax asset	0	281,584
Other receivables	24,090	24,090
Prepayments	102,222	32,034
Total receivables	2,124,777	1,093,964
Cash	2,480,093	716,913
Total current assets	5,359,442	2,442,719
Total assets	8,665,455	6,856,997

EQUITY AND LIABILITIES		31.12.18	30.06.17
		DKK	DKK
Note			
	Share capital	50,000	50,000
	Retained earnings	-2,602,344	-1,045,825
	Total equity	-2,552,344	-995,825
3	Payables to group enterprises	9,290,860	0
	Total long-term payables	9,290,860	0
	Trade payables	50,874	194,327
	Payables to group enterprises	2,888	6,851,781
	Other payables	1,873,177	806,714
	Total short-term payables	1,926,939	7,852,822
	Total payables	11,217,799	7,852,822
	Total equity and liabilities	8,665,455	6,856,997
4	Contingent liabilities		

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings
Statement of changes in equity for 01.07.16 - 30.06.17		
Balance as at 01.07.16	50,000	-426,989
Net profit/loss for the year	0	-618,836
Balance as at 30.06.17	50,000	-1,045,825
Statement of changes in equity for 01.07.17 - 31.12.18		
Balance pr. 01.07.17	50,000	-1,045,825
Net profit/loss for the year	0	-1,556,519
Balance as at 31.12.18	50,000	-2,602,344

1. Information as regards going concern

The company's budget for 2019 shows a positive result and the liability towards the parent company is a long term payables. On this basis, the annual report has been prepared on the basis of the going concern assumption.

2. Staff costs

Wages and salaries	6,783,319	2,973,525
Other social security costs	527,598	228,113
Other staff costs	73,912	75,617
Total	7,384,829	3,277,255
Average number of employees during the year	12	9

3. Longterm payables

Figures in DKK	Outstanding debt after 5 years	Total payables at 31.12.18
Payables to group enterprises	0	9,290,860
Total	0	9,290,860

4. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of up to 47 months and a total of DKK 1,894k.

5. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

The company has changed its financial year from 1 July to 30 June to the calendar year. The first financial year after the change is the period 01.07.17 - 31.12.18. The change has been made as a result of new group affiliation.

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 depreciation, amortisation, impairment losses and write-downs, 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 such assets 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 such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets

5. Accounting policies - continued -

acquired in foreign currencies are translated using historical exchange rates.

LEASES

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT**Gross profit**

Gross profit comprises revenue and cost of sales and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Cost of sales

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

5. Accounting policies - continued -**Depreciation and impairment losses**

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value, per cent
Acquired rights	10	0
Other plant, fixtures and fittings, tools and equipment	2,5-5	0

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

5. Accounting policies - continued -**BALANCE SHEET****Intangible assets***Acquired rights*

Acquired rights are measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Acquired rights are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

5. Accounting policies - continued -

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Inventories

Inventories are measured at cost calculated according to the FIFO principle. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

5. Accounting policies - continued -

Cash

Cash includes deposits in bank accounts as well as operating cash.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.