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**Lise Charmel Danmark ApS  
Center Boulevard 5  
2300 København S**

**TAX-number: 37704008**

*ANNUAL REPORT  
1. January - 31. December 2020*

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Approved at the annual General Meeting of the Company on 10/5-2021



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Olivier Piquet  
Chairman of the meeting

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## COMPANY INFORMATION

**The Company**

Lise Charmel Danmark ApS  
Center Boulevard 5  
2300 København S

CVR-no.: 37 70 40 08  
Financial year: 1. January - 31. December

**Director**

Olivier Piquet

**Accountant**

BN Consult  
Blokken 90  
3460 Birkerød

## MANAGEMENT COMMENTARY

### **Main activities of the Company**

As in previous years, the main activities of the Company were - directly or by investments in other companies - to operate in the field of selection, distribution, representation, import and export of all kinds of clothing and accessories for women, men and children, and other activities, which according to the discretion of the Executive Board, are associated therewith.

### **Development in the activities and the financial situation of the Company**

The Company has continued its operations. No significant events occurred in the financial year need to be included in the management commentary, except for the COVID 19 situation, which has had a severe impact on the company's activities.

The performance and result for the year are considered unsatisfactory.

The Company has lost more than half of the equity and the result for 2021 is impossible to predict mainly due to the Covid-19 situation.

The French Parent company has issued a letter of support in order to strengthen the financial position of the Company.

### **Material events after the reporting date**

No events have occurred after the reporting date that may materially affect the financial position of the company.

## MANAGEMENT'S STATEMENT

Today the Management has discussed and approved the Annual Report of Lise Charmel Danmark ApS for the period 1. January - 31. December 2020.

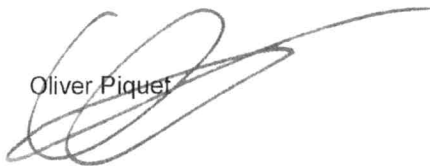
The unaudited Annual Report has been prepared in conformity with the Financial Statements Act. The Board of Directors considers the conditions for not performing an audit to have been met.

In my opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 31. December 2020 and of its financial performance for the period 1. January - 31. December 2020.

In my opinion the Management commentary includes a fair review of the matters described.

We recommend that the Annual Report be approved by the Annual General Meeting.

København S, 10. May 2021  
**Director**



Oliver Piquet

## AUDITORS' COMPILATION REPORT ON FINANCIAL STATEMENTS

### To Management of Lise Charmel Danmark ApS

We have compiled the financial statements of Lise Charmel Danmark ApS for the period 1. January - 31. December 2020 based on the bookkeeping records of the Company and other information provided by you.

The financial statements include accounting policies, income statement, balance sheet and notes.

We have performed the compilation in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in preparing and presenting the financial statements in conformity with the Danish Financial Statements Act. We have observed the relevant provisions of the Danish Act on Approved Auditors and Audit Firms and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark

The financial statements and the accuracy and completeness of the information used to compile the financial statements are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us for use in the compilation of these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial statements have been prepared in conformity with the Danish Financial Statements Act.

Birkerød, den 10. May 2021

#### **BN Consult**

CVR-nr.: 73980828



Bent Nicolajsen

State-auth. public accountant

mne9494

## ACCOUNTING POLICIES

### GENERAL INFORMATION

The financial statements of Lise Charmel Danmark ApS for the financial year 2020 have been prepared in conformity with the provisions of the Financial Statements Act on class B enterprises.

The accounting policies applied in the financial statements are consistent with those of the previous year. The reporting currency is Danish kroner.

### Recognition and measurement in general

The financial statements have been prepared under the historical cost convention.

Income is recognised in the income statement when earned. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are also recognised in the income statement. Costs incurred to generate the earnings for the year are also recognised in the income statement, including amortisation, depreciation, impairment losses and provisions as well as reversals resulting from changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future financial benefits will flow to the Company and it is possible to obtain a reliable measurement of the individual assets.

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will flow from the Company and it is possible to obtain a reliable measurement of the individual liabilities.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item.

Anticipated losses and risks arising before the presentation of the financial statements and confirming or disconfirming facts and circumstances known at the reporting date are taken into consideration at recognition and measurement.

### Foreign currency translation

Foreign currency transactions are translated at the exchange rates ruling at the transaction dates. Gains and losses arising from movements between the exchange rates at the date of the individual transaction and the date of payment are recognised in the income statement as financial income or financial expenses.

## INCOME STATEMENT

### General information

Certain income and expenses have been aggregated in the item designated 'Gross profit' with reference to section 32 of the Financial Statements Act.

### Gross profit

Gross profit is a combination of the items of 'Revenue', 'Change in inventories of finished goods, work in progress and goods for resale', 'Other operating income', 'Cost of raw materials and consumables' and 'Other external expenses'.

### Other external expenses

Other external expenses include costs for sales, advertising, administration, premises, bad debts, rental expenses under operating leases, etc.

### Staff costs

Staff costs include wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement from the Government.



## ACCOUNTING POLICIES

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement based on the amounts which relate to the financial year. Financial income and expenses include interest revenue and expenses.

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

Tax for the year comprises current tax and changes in deferred tax. The share attributable to the profit or loss for the year is recognised in the income statement, and the share attributable directly to equity is recognised directly in equity.

## **BALANCE SHEET**

### **Receivables**

Receivables are measured at amortised cost, which normally corresponds to the nominal value. The value is reduced by an allowance for expected impairment losses.

### **Investments**

Investments in unlisted companies are recognised in the balance sheet at cost. The cost includes the purchase consideration calculated at fair value plus direct acquisition costs. Where the net realisable value is lower than cost, the investments are written down to this lower value. Realised and unrealised capital gains and losses are recognised in the income statement.

### **Corporate income tax and deferred tax**

Current tax liabilities and current tax receivable are recognised in the balance sheet as calculated 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 using the balance-sheet liability method on temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases. In cases where the tax base can be determined under alternative taxation rules, such as in relation to shares, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are measured at their anticipated net realisable value, either by elimination in tax on future earnings or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at their net realisable values.

### **Payables**

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between proceeds and nominal value is recognised in the income statement over the life of the financial instrument(s).

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other payables, comprising trade payables and amounts owed to Group enterprises and associates and other accounts payable, are measured at amortised cost, which normally corresponds to the nominal value.



INCOME STATEMENT  
1. JANUARY - 31. DECEMBER 2020

	2020	2019
<b>GROSS PROFIT</b> .....	<b>-10.618</b>	<b>15.886</b>
2 Staff costs .....	-49.139	-275.084
<b>OPERATING PROFIT OR LOSS</b> .....	<b>-59.757</b>	<b>-259.198</b>
Financial expenses arising from Group enterprises .....	-7.839	-8.013
Other financial expenses .....	-31.734	-57.267
<b>PROFIT OR LOSS BEFORE TAX</b> .....	<b>-99.330</b>	<b>-324.478</b>
<b>PROFIT OR LOSS FOR THE YEAR</b> .....	<b>-99.330</b>	<b>-324.478</b>
 <b>PROPOSED DISTRIBUTION OF NET PROFIT</b>		
Retained earnings .....	-99.330	-324.478
<b>SETTLEMENT OF DISTRIBUTION TOTAL</b> .....	<b>-99.330</b>	<b>-324.478</b>

## BALANCE SHEET AT 31. DECEMBER 2020

## ASSETS

	2020	2019
Trade receivables .....	276.479	376.555
Other receivables .....	133.070	234.202
Accruals .....	0	45.963
<b>Receivables</b> .....	<b>409.549</b>	<b>656.720</b>
<b>Cash</b> .....	<b>156.953</b>	<b>575.922</b>
<b>CURRENT ASSETS</b> .....	<b>566.502</b>	<b>1.232.642</b>
<b>ASSETS</b> .....	<b>566.502</b>	<b>1.232.642</b>

BALANCE SHEET AT 31. DECEMBER 2020  
EQUITY AND LIABILITIES

	2020	2019
Contributed capital .....	50.000	50.000
Retained earnings .....	-848.693	-749.366
<b>EQUITY</b> .....	<b>-798.693</b>	<b>-699.366</b>
Trade creditors .....	730.947	1.345.296
Amounts owed to group enterprises .....	415.847	423.860
Other accounts payable .....	218.401	162.852
<b>Short-term payables</b> .....	<b>1.365.195</b>	<b>1.932.008</b>
<b>PAYABLES</b> .....	<b>1.365.195</b>	<b>1.932.008</b>
<b>EQUITY AND LIABILITIES</b> .....	<b>566.502</b>	<b>1.232.642</b>

## NOTES

2020

2019

### 1 Uncertainty regarding the going concern status

There is considerable uncertainty regarding the going concern status of the company, which has lost more than half its equity. Furthermore, the present COVID19 situation makes it impossible to predict the future earnings.

The French parent company, Lise Charmel Industrie S.A.S. will support Lise Charmel Denmark Aps financially, and has signed a letter of support valid until December 31 st 2021 and the financial statements have despite the essential uncertainty been prepared using the going concern assumption.

### 2 Staff costs

Number of people employed .....	1	1
Wages and salaries .....	42.477	253.351
Other social security costs .....	6.662	21.733
	<u>49.139</u>	<u>275.084</u>