Grant Thornton

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# Bucherer Denmark ApS

**c/o Aagaard & Partnere Advokatanpartsselskab, Ny Østergade 3, 1101 København K**

**Company reg. no. 37 86 03 01**

## Annual report

## 1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 7 March 2024.

Lise Aagaard
Chairman of the meeting

## Contents



Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Bucherer Denmark ApS for the financial year 1 January - 31 December 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 7 March 2024

**Managing Director**

Claire Hansted

**Board of directors**

| | | |
|---|---|---|
| Guido Michael Zumbühl<br>Chairman | Kilian Paul Müller | Claire Hansted |

# Independent auditor's report

**To the Shareholders of Bucherer Denmark ApS**

**Opinion**

We have audited the consolidated financial statements and the parent company financial statements of Bucherer Denmark ApS for the financial year 1 January to 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group the Parent Company, as well as consolidated statement of cash flows. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2023 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 Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent 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 consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

# Independent auditor's report

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent company 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 consolidated financial statements and parent company financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent company 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 Group´s and 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 consolidated financial statements and the parent company 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 Group´s and 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 consolidated financial statements and the parent company 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 Group and the Company to cease to continue as a going concern.

## Independent auditor's report

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the consolidated financial statements and the parent company 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 Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 7 March 2024

**Grant Thornton**
Certified Public Accountants
Company reg. no. 34 20 99 36

Martin Bomholtz
State Authorised Public Accountant
mne34117

## Company information

| | | |
|---|---|---|
| **The company** | Bucherer Denmark ApS<br>c/o Aagaard & Partnere Advokatanpartsselskab<br>Ny Østergade 3<br>1101 København K | |
| | Company reg. no. | 37 86 03 01 |
| | Established: | 1 July 2016 |
| | Financial year: | 1 January 2023 - 31 December 2023 |
| **Board of directors** | Guido Michael Zumbühl, Chairman<br>Kilian Paul Müller<br>Claire Hansted | |
| **Managing Director** | Claire Hansted | |
| **Auditors** | Grant Thornton, Godkendt Revisionspartnerselskab<br>Stockholmsgade 45<br>2100 København Ø | |

## Consolidated financial highlights

| DKK in thousands. | 2023 | 2022 |
|---|---|---|
| **Income statement:** | | |
| Gross profit | 110.792 | 17.099 |
| Profit from operating activities | 18.748 | 5.397 |
| Net financials | -17.111 | -171 |
| Net profit or loss for the year | -6.968 | 4.069 |
| **Statement of financial position:** | | |
| Balance sheet total | 627.679 | 79.506 |
| Investments in property, plant and equipment | 1.592 | 1.573 |
| Equity | 125.420 | 32.388 |
| **Cash flows:** | | |
| Operating activities | -18.521 | 1.970 |
| Investing activities | -396.845 | -1.573 |
| Financing activities | 504.987 | 0 |
| Total cash flows | 89.620 | 397 |
| **Employees:** | | |
| Average number of full-time employees | 85 | 21 |
| **Key figures in %:** | | |
| Liquidity ratio | 52,9 | 153,7 |
| Solvency ratio | 20,0 | 40,7 |

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.

# Management´s review

### The principal activities of the group

Like previous years, the activities of the group and of Bucherer Denmark ApS are retailing of watches and jewelries. The volume of the activities is significantly increase by a business combination effective from the beginning of the year.

### Development in activities and financial matters

The gross profit for the parent company for the year totals DKK 19,9m against DKK 17,1m last year. Income or loss from ordinary activities after tax totals DKK -8,9m against DKK 4,1m last year. The management considers the result to be in line with expectations.

The gross profit for the group for the year totals DKK 110,8m against DKK 17,1m last year. Income or loss from ordinary activities after tax totals DKK -7,0m against DKK 4,1m last year. The management considers the result to be in line with exspectations.

### Environmental issues

The Bucherer group is environmentally conscious and works continuously to reduce the environmental impacts of the company's operations.

### The expected development

The result for the coming year is expected to be at the same level as 2023.

## Income statement 1 January - 31 December

All amounts in DKK.

| Note | | Group 2023 | Group 2022 | Parent 2023 | Parent 2022 |
|---|---|---|---|---|---|
| | **Gross profit** | **110.792.377** | **17.098.823** | **19.859.879** | **17.098.823** |
| 1 | Staff costs | -48.641.237 | -10.143.123 | -12.354.654 | -10.143.123 |
| | Depreciation, amortisation and writedown relating to tangible and intangible fixed assets | -43.403.610 | -1.558.424 | -1.787.204 | -1.558.424 |
| | **Operating profit** | **18.747.530** | **5.397.276** | **5.718.021** | **5.397.276** |
| | Other financial income | 2.172.176 | 654.533 | 0 | 654.533 |
| 2 | Other financial expenses | -19.283.064 | -825.157 | -16.881.262 | -825.157 |
| | **Pre-tax net profit or loss** | **1.636.642** | **5.226.652** | **-11.163.241** | **5.226.652** |
| | Tax on ordinary results | -8.604.982 | -1.157.576 | 2.266.112 | -1.157.576 |
| **3** | **Net profit or loss for the year** | **-6.968.340** | **4.069.076** | **-8.897.129** | **4.069.076** |
| | Break-down of the consolidated profit or loss: | | | | |
| | Shareholders in Bucherer Denmark ApS | -6.968.340 | 4.069.076 | | |
| | | **-6.968.340** | **4.069.076** | | |

## Balance sheet at 31 December

All amounts in DKK.

| Note | Assets | Group 2023 | Group 2022 | Parent 2023 | Parent 2022 |
|---|---|---|---|---|---|
| | **Non-current assets** | | | | |
| 4 | Acquired concessions, patents, licenses, trademarks, and similar rights | 391.467 | 0 | 0 | 0 |
| 5 | Goodwill | 324.981.746 | 0 | 0 | 0 |
| | Total intangible assets | 325.373.213 | 0 | 0 | 0 |
| 6 | Other fixtures, fittings, tools and equipment | 34.878.997 | 8.653.241 | 8.354.382 | 8.653.241 |
| | Total property, plant, and equipment | 34.878.997 | 8.653.241 | 8.354.382 | 8.653.241 |
| 7 | Investments in group enterprises | 0 | 0 | 472.580.442 | 0 |
| 8 | Deposits | 1.738.678 | 0 | 0 | 0 |
| | Total investments | 1.738.678 | 0 | 472.580.442 | 0 |
| | **Total non-current assets** | **361.990.888** | **8.653.241** | **480.934.824** | **8.653.241** |

## Balance sheet 31 December

All amounts in DKK.

**Assets**

| Note | | Group 2023 | Group 2022 | Parent 2023 | Parent 2022 |
|---|---|---|---|---|---|
| | **Current assets** | | | | |
| | Raw materials and consumables | 129.893.447 | 36.528.033 | 48.002.206 | 36.528.033 |
| | Total inventories | 129.893.447 | 36.528.033 | 48.002.206 | 36.528.033 |
| | Trade receivables | 34.773.220 | 30.105.923 | 30.909.077 | 30.105.923 |
| | Amounts owed by group enterprises | 1.981.010 | 1.393.509 | 2.416.077 | 1.393.509 |
| 9 | Deferred tax assets | 1.931.688 | 0 | 1.232.085 | 0 |
| | Income tax receivables | 0 | 0 | 14.000 | 0 |
| | Other debtors | 1.681.804 | 477.647 | 550.130 | 477.647 |
| 10 | Prepayments | 3.479.691 | 20.811 | 24.461 | 20.811 |
| | Total receivables | 43.847.413 | 31.997.890 | 35.145.830 | 31.997.890 |
| | Available funds | 91.946.764 | 2.326.811 | 198.013 | 2.326.811 |
| | **Total current assets** | **265.687.624** | **70.852.734** | **83.346.049** | **70.852.734** |
| | **Total assets** | **627.678.512** | **79.505.975** | **564.280.873** | **79.505.975** |

## Balance sheet at 31 December

All amounts in DKK.

### Equity and liabilities

| Note | | Group 2023 | Group 2022 | Parent 2023 | Parent 2022 |
|---|---|---|---|---|---|
| | **Equity** | | | | |
| | Contributed capital | 1.000.000 | 51.000 | 1.000.000 | 51.000 |
| | Share premium | 124.050.000 | 24.999.000 | 124.050.000 | 24.999.000 |
| | Retained earnings | 369.959 | 7.338.301 | -1.558.827 | 7.338.301 |
| | Equity before non-controlling interest. | 125.419.959 | 32.388.301 | 123.491.173 | 32.388.301 |
| | **Total equity** | **125.419.959** | **32.388.301** | **123.491.173** | **32.388.301** |
| | **Provisions** | | | | |
| | Provisions for deferred tax | 0 | 1.034.027 | 0 | 1.034.027 |
| 11 | Other provisions | 161.175 | 0 | 161.175 | 0 |
| | **Total provisions** | **161.175** | **1.034.027** | **161.175** | **1.034.027** |

## Balance sheet 31 December

All amounts in DKK.

**Equity and liabilities**

| Note | | Group 2023 | Group 2022 | Parent 2023 | Parent 2022 |
|---|---|---|---|---|---|
| | **Liabilities other than provisions** | | | | |
| | Bank debts | 56.714 | 0 | 56.714 | 0 |
| | Prepayments received from customers | 1.323.931 | 0 | 0 | 0 |
| | Trade payables | 38.082.966 | 13.094.085 | 7.689.173 | 13.094.085 |
| | Payables to group enterprises | 428.495.115 | 25.732.681 | 426.418.842 | 25.732.681 |
| | Income tax payable | 19.087.697 | 1.221.260 | 0 | 1.221.260 |
| | Other payables | 14.545.599 | 5.619.680 | 6.151.840 | 5.619.680 |
| 12 | Accruals and deferred income | 505.356 | 415.941 | 311.956 | 415.941 |
| | Total short term liabilities other than provisions | 502.097.378 | 46.083.647 | 440.628.525 | 46.083.647 |
| | **Total liabilities other than provisions** | **502.097.378** | **46.083.647** | **440.628.525** | **46.083.647** |
| | **Total equity and liabilities** | **627.678.512** | **79.505.975** | **564.280.873** | **79.505.975** |

**13 Charges and security**

**14 Contingencies**

**15 Related parties**

## Consolidated statement of changes in equity

All amounts in DKK.

| | Contributed capital | Share premium | Retained earnings | Total |
|---|---|---|---|---|
| Equity 1 January 2022 | 51.000 | 24.999.000 | 3.269.225 | 28.319.225 |
| Transferred to retained earnings | 0 | 0 | 4.069.076 | 4.069.076 |
| Equity 1 January 2023 | 51.000 | 24.999.000 | 7.338.301 | 32.388.301 |
| Cash capital increase | 949.000 | 99.051.000 | 0 | 100.000.000 |
| Profit or loss for the year brought forward | 0 | 0 | -6.968.340 | -6.968.340 |
| Adjustment | 0 | 0 | -2 | -2 |
| | **1.000.000** | **124.050.000** | **369.959** | **125.419.959** |

## Statement of changes in equity of the parent

All amounts in DKK.

| | Contributed capital | Share premium | Retained earnings | Total |
|---|---|---|---|---|
| Equity 1 January 2022 | 51.000 | 24.999.000 | 3.269.225 | 28.319.225 |
| Profit or loss for the year brought forward | 0 | 0 | 4.069.076 | 4.069.076 |
| Equity 1 January 2023 | 51.000 | 24.999.000 | 7.338.301 | 32.388.301 |
| Adjustment | 0 | 0 | 1 | 1 |
| Cash capital increase | 949.000 | 99.051.000 | 0 | 100.000.000 |
| Profit or loss for the year brought forward | 0 | 0 | -8.897.129 | -8.897.129 |
| | **1.000.000** | **124.050.000** | **-1.558.827** | **123.491.173** |

## Statement of cash flows 1 January - 31 December

All amounts in DKK.

| Note | | Group 2023 | 2022 |
|---|---|---|---|
| | Net profit or loss for the year | -6.968.340 | 4.069.076 |
| 16 | Adjustments | 39.689.067 | 1.494.740 |
| 17 | Change in working capital | -51.242.044 | -3.593.881 |
| | Cash flows from operating activities before net financials | -18.521.317 | 1.969.935 |
| | Cash flows from ordinary activities | -18.521.317 | 1.969.935 |
| | **Cash flows from operating activities** | **-18.521.317** | **1.969.935** |
| | Purchase of intangible assets | -362.676.878 | 0 |
| | Purchase of property, plant, and equipment | -32.431.167 | -1.572.908 |
| | Change in deposits | -1.737.195 | 0 |
| | **Cash flows from investment activities** | **-396.845.240** | **-1.572.908** |
| | Group financing received | 404.929.797 | 0 |
| | Cash capital increase | 100.000.000 | 0 |
| | Changes in short-term bank debts | 56.714 | 0 |
| | **Cash flows from financing activities** | **504.986.511** | **0** |
| | **Change in cash and cash equivalents** | **89.619.954** | **397.027** |
| | Cash and cash equivalents at 1 January 2023 | 2.326.811 | 1.929.784 |
| | **Cash and cash equivalents at 31 December 2023** | **91.946.765** | **2.326.811** |

| | | |
|---|---|---|
| **Cash and cash equivalents** | | |
| Available funds | 91.946.765 | 2.326.811 |
| **Cash and cash equivalents at 31 December 2023** | **91.946.765** | **2.326.811** |

## Notes

All amounts in DKK.

| | | Group 2023 | Group 2022 | Parent 2023 | Parent 2022 |
|---|---|---|---|---|---|
| **1.** | **Staff costs** | | | | |
| | Salaries and wages | 43.120.535 | 9.498.535 | 11.532.207 | 9.498.535 |
| | Pension costs | 4.958.385 | 598.515 | 771.388 | 598.515 |
| | Other costs for social security | 562.317 | 46.073 | 51.059 | 46.073 |
| | | **48.641.237** | **10.143.123** | **12.354.654** | **10.143.123** |
| | Total amount of management remuneration | 4.824.131 | 0 | 0 | 0 |
| | Average number of employees | 85 | 21 | 22 | 21 |

| | | Group 2023 | Group 2022 | Parent 2023 | Parent 2022 |
|---|---|---|---|---|---|
| **2.** | **Other financial expenses** | | | | |
| | Financial costs, group enterprises | 16.010.288 | 127.401 | 16.010.288 | 127.401 |
| | Other financial costs | 3.272.776 | 697.756 | 870.974 | 697.756 |
| | | **19.283.064** | **825.157** | **16.881.262** | **825.157** |

| | | Parent 2023 | Parent 2022 |
|---|---|---|---|
| **3.** | **Proposed distribution of net profit** | | |
| | Transferred to retained earnings | 0 | 4.069.076 |
| | Allocated from retained earnings | -8.897.129 | 0 |
| | **Total allocations and transfers** | **-8.897.129** | **4.069.076** |

## Notes

All amounts in DKK.

| | | Group | | Parent | |
|---|---|---|---|---|---|
| | | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 |
| **4.** | **Acquired concessions, patents, licenses, trademarks, and similar rights** | | | | |
| | Additions during the year | 1.586.050 | 0 | 0 | 0 |
| | **Cost 31 December 2023** | **1.586.050** | **0** | **0** | **0** |
| | Amortisation for the year | -1.194.583 | 0 | 0 | 0 |
| | **Amortisation and write-down 31 December 2023** | **-1.194.583** | **0** | **0** | **0** |
| | **Carrying amount, 31 December 2023** | **391.467** | **0** | **0** | **0** |

| | | Group | | Parent | |
|---|---|---|---|---|---|
| | | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 |
| **5.** | **Goodwill** | | | | |
| | Additions during the year | 361.090.828 | 0 | 0 | 0 |
| | **Cost 31 December 2023** | **361.090.828** | **0** | **0** | **0** |
| | Amortisation for the year | -36.109.082 | 0 | 0 | 0 |
| | **Amortisation and write-down 31 December 2023** | **-36.109.082** | **0** | **0** | **0** |
| | **Carrying amount, 31 December 2023** | **324.981.746** | **0** | **0** | **0** |

## Notes

All amounts in DKK.

| | | Group | | Parent | |
|---|---|---|---|---|---|
| | | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 |
| **6.** | **Other fixtures, fittings, tools and equipment** | | | | |
| | Cost 1 January 2023 | 18.056.794 | 16.483.885 | 18.056.794 | 16.483.885 |
| | Additions during the year | 32.431.167 | 1.572.909 | 1.592.329 | 1.572.909 |
| | **Cost 31 December 2023** | **50.487.961** | **18.056.794** | **19.649.123** | **18.056.794** |
| | Depreciation and write-down 1 January 2023 | -9.403.552 | -7.741.143 | -9.403.552 | -7.741.143 |
| | Depreciation for the year | -6.205.412 | -1.662.410 | -1.891.189 | -1.662.410 |
| | **Depreciation and write-down 31 December 2023** | **-15.608.964** | **-9.403.553** | **-11.294.741** | **-9.403.553** |
| | **Carrying amount, 31 December 2023** | **34.878.997** | **8.653.241** | **8.354.382** | **8.653.241** |

| | | Group | | Parent | |
|---|---|---|---|---|---|
| | | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 |
| **7.** | **Investments in group enterprises** | | | | |
| | Additions during the year | 0 | 0 | 472.580.442 | 0 |
| | **Carrying amount, 31 December 2023** | **0** | **0** | **472.580.442** | **0** |

| | | Group | | Parent | |
|---|---|---|---|---|---|
| | | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 |
| **8.** | **Deposits** | | | | |
| | Additions during the year | 1.738.678 | 0 | 0 | 0 |
| | **Cost 31 December 2023** | **1.738.678** | **0** | **0** | **0** |
| | **Carrying amount, 31 December 2023** | **1.738.678** | **0** | **0** | **0** |

## Notes

All amounts in DKK.

| | | Group | | Parent | |
|---|---|---|---|---|---|
| | | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 |
| **9.** | **Deferred tax assets** | | | | |
| | Deferred tax assets 1 January 2023 | -1.034.027 | -1.097.710 | -1.034.027 | -1.097.710 |
| | Deferred tax of the results for the year | 2.965.715 | 63.683 | 2.266.112 | 63.683 |
| | | **1.931.688** | **-1.034.027** | **1.232.085** | **-1.034.027** |

**10. Prepayments**

Prepayments under assets consist of expenses relating to the following financial year.

| | | Group | | Parent | |
|---|---|---|---|---|---|
| | | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 |
| **11.** | **Other provisions** | | | | |
| | Change of the year in other provisions | 161.175 | 0 | 161.175 | 0 |
| | | **161.175** | **0** | **161.175** | **0** |

**12. Accruals and deferred income**

Deferrred income comprises accrued income related to gift certificates issued and receivables.

**13. Charges and security**

For bank loans the group has provided security in company assets representing a nominal value of DK thousands 10.000. This security comprises the assets below, stating the carrying amounts:

| | DKK in thousands |
|---|---|
| Inventories | 81.891 |
| Payables | 38.788 |

## Notes

All amounts in DKK.

**14. Contingencies**

**Contingent liabilities**

| | DKK in thousands |
|---|---|
| Lease liabilities | 73.058 |
| **Total contingent liabilities** | **73.058** |

**Joint taxation**

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

**15. Related parties**

**Controlling interest**

| | |
|---|---|
| Bucherer AG, Langensandstrasse 27, 6005 Luzern, Switzerland | Majority shareholder |

**Transactions**

In accordance with the Danish Financial Statements Act §98c, only related party transactions not conducted on an arm's lenght basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

**Consolidated annual accounts**

None of the company's parent companies present consolidated annual accounts.

## Notes

All amounts in DKK.

| | | Group 2023 | 2022 |
|---|---|---|---|
| **16.** | **Adjustments** | | |
| | Depreciation, amortisation, and impairment | 43.403.610 | 1.558.424 |
| | Deferred tax | -3.714.543 | -63.684 |
| | | **39.689.067** | **1.494.740** |

| | | Group 2023 | 2022 |
|---|---|---|---|
| **17.** | **Change in working capital** | | |
| | Change in inventories | -93.365.414 | -6.214.885 |
| | Change in receivables | -13.122.962 | -7.219.886 |
| | Change in trade payables and other payables | 55.085.157 | 9.840.890 |
| | Other changes in working capital | 161.175 | 0 |
| | | **-51.242.044** | **-3.593.881** |

## Accounting policies

The annual report for Bucherer Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

**Recognition and measurement in general**

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the group is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the group is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

**Foreign currency translation**

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

## Accounting policies

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

**The consolidated financial statements**

The consolidated income statements comprise the parent company Bucherer Denmark ApS and those group enterprises of which Bucherer Denmark ApS directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

*Consolidation policies*

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' fair value of net assets and liabilities at the acquisition date.

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

**Business combinations**

*Acquisitions completed by the 1 July 2018 or later (method of consolidation)*

Acquisition of group enterprises are dealt with in accordance with the acquisition method, and afterwards the assets and liabilities of the acquired entity are measured at fair value at the date of acquisition. If it is possible to measure the value reliably, acquired contingent liabilities are measured at fair value under the item Equity investments in group enterprises.

The date of acquisition is the date when control of the acquired entity is obtained.

The cost of the acquired entity represents the fair value of the consideration agreed upon, including the considerations that are conditional on future events. Transaction costs directly attributable to the acquisition of group enterprises are recognised in the income statement as incurred.

Positive differences between the cost of the acquired entity and the identified assets and liabilities are recognised in the equity investment as goodwill, which is amortised on a straight-line basis in the income statement over the expected useful life. Amortisation of goodwill is allocated to the functions to which the goodwill relates. If the difference is negative, this is recognised immediately in the income statement.

If the allocation of the purchase price is not final, positive and negative differences from acquired group enterprises may, as a result of changes in recognition and measurement of the identified net assets, be adjusted up to 12 months from the date of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including depreciation already made.

## Accounting policies

If the cost includes contingent considerations, these are measured at fair value at the date of acquisition. Subsequently, contingent considerations at fair value are measured again. Value adjustments are recognised in the income statement.

In case of step-by-step acquisitions, the value of the hitherto equity holding in the acquired entity is measured again at the fair value at the date of acquisition. The difference between the carrying amount of the hitherto equity investment and the fair value is recognised in the income statement.

**Non-controlling interests**

Non-controlling interests constitute a share of the group's total equity. By distribution of net profit, profit or loss for the year is distributed on the share attributable to the non-controlling interests and the share attributable to the parent's shareholders respectively.

### Income statement

**Gross profit**

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

**Staff costs**

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

**Depreciation, amortisation and writedown**

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

## Accounting policies

**Financial income and expenses**

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

**Results from investments in group enterprises**

Dividend from investments in group enterprises is recognised in the financial year in which the dividend is declared.

If the dividend received exceeds the proportionate share of the year's result, this is considered an indication of impairment, which entails a requirement to prepare an impairment test.

**Tax of the results for the year**

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The parent and the Danish group enterprises are subject to the Danish rules on compulsory joint taxation of the consolidated Danish enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

### The balance sheet

**Intangible assets**

**Aquired rights**

Aquired rights are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

**Goodwill**

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

**Property, plant, and equipment**

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

## Accounting policies

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

| | Useful life | Residual value |
|---|---|---|
| Other fixtures and fittings, tools and equipment | 3-10 years | 0-20 % |

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

**Leases**

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The group's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

**Impairment loss relating to non-current assets**

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

## Accounting policies

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

**Financial fixed assets**

**Investments in group enterprises**

Investments in group enterprises are recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

**Deposits**

Deposits are measured at amortised cost and represent lease deposits, etc.

**Inventories**

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

**Receivables**

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

**Accrued income and deferred expenses**

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

**Available funds**

Available funds comprise cash at bank and in hand.

**Equity**

**Share premium**

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

## Accounting policies

### Income tax and deferred tax

As administration company, Bucherer Denmark ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

### Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the group has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the group.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

## Accounting policies

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. Provisions for warranty commitments are measured on basis of the obtained experience with guarantee work. Provisions with an expected due date later than 1 year from the reporting date are discounted at a rate reflecting risk and maturity of the liability.

**Liabilities other than provisions**

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

**Accrued expenses and deferred income**

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

### Statement of cash flows

The cash flow statement shows the cash flows of the group for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and group' cash and cash equivalents at the beginning and the end of the year, respectively.

A cash flow statement for the parent has not been prepared as the cash flows of the enterprise are included in the consolidated cash flow statement, cf. section 86, subsection 4, of the Danish Financial Statements Act.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

**Cash flows from operating activities**

Cash flows from operating activities are calculated as the group's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under "Interest income and dividend received".

**Cash flows from investment activities**

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

## Accounting policies

### Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and short-term financial instruments with a term of less than 3 months, which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.