
AnnoAnno ApS

Vesterbrogade , 12,1. th, DK-1620 København V

Annual Report for 2022

CVR No. 38 70 18 27

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 30/6 2023

Thomas Simonsen
Hørslev- Petersen
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of AnnoAnno ApS for the financial year 1 January - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and of the results of the Company operations for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

København V, 30 June 2023

Executive Board

Thomas Simonsen Hørslev-
Petersen
CEO

Board of Directors

Lars Hylling Axelsson
Chairman

Thomas Simonsen Hørslev-
Petersen

Mikkel Haabendal Weiss

Leif Nørgaard

Independent Auditor's report

To the shareholder of AnnoAnno ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of AnnoAnno ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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 Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 30 June 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Søren Alexander

State Authorised Public Accountant

mne42824

Frederik Tvedeskov Jantzen

State Authorised Public Accountant

mne47815

Company information

The Company	AnnoAnno ApS Vesterbrogade , 12,1. th DK-1620 København V CVR No: 38 70 18 27 Financial period: 1 January - 31 December Incorporated: 9 June 2017 Financial year: 6th financial year Municipality of reg. office: København
Board of Directors	Lars Hylling Axelsson, chairman Thomas Simonsen Hørslev-Petersen Mikkel Haabendal Weiss Leif Nørgaard
Executive Board	Thomas Simonsen Hørslev-Petersen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Management's review

Key activities

The company's key activities is to run a business with online sales of clothes for women.

Development in the year

The income statement of the Company for 2022 shows a loss of DKK 15,227,200, and at 31 December 2022 the balance sheet of the Company shows positive equity of DKK 522,588.

In 2022, AnnoAnno experienced a substantial increase in revenue, with a growth rate of +50%. Moreover, our gross margin improved significantly, and we witnessed an expansion of our customer base.

Additionally, AnnoAnno successfully introduced its own private label brand, which currently contributes to +10% of our total sales.

In late 2022, AnnoAnno made significant investments in artificial intelligence, which we expect in 2023 to result in a noteworthy enhancement of customer satisfaction and operational efficiency.

Unusual events

The financial position at 31 December 2022 of the Company and the results of the activities and cash flows of the Company for the financial year for 2022 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2022 DKK	2021 DKK
Gross profit/loss		2,021,195	-1,534,757
Staff expenses	1	-15,901,807	-8,937,957
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	2	-727,473	-214,008
Profit/loss before financial income and expenses		-14,608,085	-10,686,722
Financial expenses		-2,144,838	-1,226,632
Profit/loss before tax		-16,752,923	-11,913,354
Tax on profit/loss for the year	3	1,525,723	287,321
Net profit/loss for the year		-15,227,200	-11,626,033

Distribution of profit

	2022 DKK	2021 DKK
Proposed distribution of profit		
Retained earnings	-15,227,200	-11,626,033
	-15,227,200	-11,626,033

Balance sheet 31 December

Assets

	Note	2022	2021
		DKK	DKK
Completed development projects		5,012,811	2,166,123
Intangible assets	4	5,012,811	2,166,123
Other fixtures and fittings, tools and equipment		29,903	16,849
Property, plant and equipment	5	29,903	16,849
Deposits		863,070	669,613
Fixed asset investments	6	863,070	669,613
Fixed assets		5,905,784	2,852,585
Finished goods and goods for resale		10,004,768	6,831,126
Inventories		10,004,768	6,831,126
Trade receivables		4,699,413	3,179,901
Other receivables		1,287,314	0
Corporation tax		1,004,020	0
Prepayments		366,388	528,324
Receivables		7,357,135	3,708,225
Cash at bank and in hand		7,123,264	11,488,700
Current assets		24,485,167	22,028,051
Assets		30,390,951	24,880,636

Balance sheet 31 December

Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		99,595	87,557
Reserve for development costs		3,909,992	1,689,575
Retained earnings		-3,486,999	-1,712,343
Equity		522,588	64,789
Other payables		19,626,649	16,070,123
Long-term debt	7	19,626,649	16,070,123
Trade payables		5,398,116	4,101,130
Other payables	7	4,843,598	4,644,594
Short-term debt		10,241,714	8,745,724
Debt		29,868,363	24,815,847
Liabilities and equity		30,390,951	24,880,636
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Statement of changes in equity

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	87,557	1,689,575	-1,712,343	64,789
Capital increase	12,038	0	15,672,961	15,684,999
Development costs for the year	0	2,220,417	-2,220,417	0
Net profit/loss for the year	0	0	-15,227,200	-15,227,200
Equity at 31 December	99,595	3,909,992	-3,486,999	522,588

Notes to the Financial Statements

	<u>2022</u>	<u>2021</u>
	DKK	DKK
1. Staff Expenses		
Wages and salaries	15,657,471	8,822,013
Pensions	50,378	14,178
Other social security expenses	154,174	75,763
Other staff expenses	39,784	26,003
	<u>15,901,807</u>	<u>8,937,957</u>
 Average number of employees	 <u>44</u>	 <u>35</u>

	<u>2022</u>	<u>2021</u>
	DKK	DKK
2. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		
Amortisation of intangible assets	718,040	205,253
Depreciation of property, plant and equipment	9,433	8,755
	<u>727,473</u>	<u>214,008</u>

	<u>2022</u>	<u>2021</u>
	DKK	DKK
3. Income tax expense		
Current tax for the year	-1,004,020	0
Adjustment of tax concerning previous years	-521,703	-287,321
	<u>-1,525,723</u>	<u>-287,321</u>

Notes to the Financial Statements

4. Intangible fixed assets

	Completed development projects
	DKK
Cost at 1 January	2,371,357
Additions for the year	<u>3,564,729</u>
Cost at 31 December	<u>5,936,086</u>
Impairment losses and amortisation at 1 January	205,235
Amortisation for the year	<u>718,040</u>
Impairment losses and amortisation at 31 December	<u>923,275</u>
Carrying amount at 31 December	<u>5,012,811</u>

5. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	40,914
Additions for the year	<u>22,485</u>
Cost at 31 December	<u>63,399</u>
Impairment losses and depreciation at 1 January	15,310
Depreciation for the year	<u>18,186</u>
Impairment losses and depreciation at 31 December	<u>33,496</u>
Carrying amount at 31 December	<u>29,903</u>

Notes to the Financial Statements

6. Other fixed asset investments

	Deposits DKK
Cost at 1 January	669,613
Additions for the year	193,457
Cost at 31 December	<u>863,070</u>
Carrying amount at 31 December	<u>863,070</u>

7. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2022 DKK	2021 DKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	19,626,649	16,070,123
Long-term part	19,626,649	16,070,123
Within 1 year	0	0
Other short-term payables	4,843,598	4,644,594
	<u>24,470,247</u>	<u>20,714,717</u>

8. Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with mortgage credit institutes:

Floating company charge assets, equipments, inventories and trade receivables as a security for credit institutions.	20,000,000	20,000,000
Carrying amount of assets pledged as collateral	15,991,495	12,362,391
Unrecognized deferred tax assets as a result of unutilized tax losses	9,126,560	5,668,143

Rental and lease obligations

Lease obligations, period of non-terminability 12 months	879,687	1,686,210
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Notes to the Financial Statements

9. Accounting policies

The Annual Report of AnnoAnno ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in DKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

Income statement

Net sales

Revenue from the sale of goods and services is recognised when the risks and rewards relating to the goods or services sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Staff expenses

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

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Intangible fixed assets

Development projects

Prior year's financial statements have not been adjusted to reflect the new accounting policies.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Completed development projects: 5 years

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	5 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Notes to the Financial Statements

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.