
AnnoAnno ApS

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

Annual Report for 2023

CVR No. 38 70 18 27

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 27/6 2024

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 Annual Report of AnnoAnno ApS for the financial year 1 January - 31 December 2023.

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 2023 of the Company and of the results of the Company operations for 2023.

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

We recommend that the Annual Report be adopted at the Annual General Meeting.

København V, 27 June 2024

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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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 2023, 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, 27 June 2024

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 1620 København V CVR No: 38 70 18 27 Financial period: 1 January - 31 December Incorporated: 9 June 2017 Financial year: 7th 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 DK-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

In 2023, AnnoAnno made significant investments in artificial intelligence, leading to a 10 million improvement in profit/loss before taxes and a modest increase in revenue. Additionally, a major back-office optimization in H2 2023 resulted in monthly salary savings of 0.6 million, which will fully impact our financials in 2024.

In early 2024, AnnoAnno completed its transition to AI supported stylings, marking the company's transformation into an AI-driven consumer goods enterprise. This transition not only reduces monthly costs but also opens numerous opportunities for enhancing the customer experience.

Unusual events

The financial position at 31 December 2023 of the Company and the results of the activities and cash flows of the Company for the financial year for 2023 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	2023	2022
		DKK	DKK
Gross profit		10,249,322	2,021,195
Staff expenses	2	-11,827,296	-15,901,807
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-1,517,462	-727,473
Profit/loss before financial income and expenses		-3,095,436	-14,608,085
Financial income		17,046	0
Financial expenses		-2,987,189	-2,144,838
Profit/loss before tax		-6,065,579	-16,752,923
Tax on profit/loss for the year	4	-1,004,020	1,525,723
Net profit/loss for the year		-7,069,599	-15,227,200
 Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Retained earnings		-7,069,599	-15,227,200
		-7,069,599	-15,227,200

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Completed development projects		6,319,829	5,012,811
Intangible assets	5	6,319,829	5,012,811
Other fixtures and fittings, tools and equipment		18,408	29,903
Property, plant and equipment	6	18,408	29,903
Deposits		1,013,070	863,070
Fixed asset investments	7	1,013,070	863,070
Fixed assets		7,351,307	5,905,784
Finished goods and goods for resale		10,793,871	10,004,768
Inventories		10,793,871	10,004,768
Trade receivables		4,928,898	4,699,413
Other receivables		2,019,353	1,287,314
Corporation tax		0	1,004,020
Prepayments		433,815	366,388
Receivables		7,382,066	7,357,135
Cash at bank and in hand		1,876,365	7,123,264
Current assets		20,052,302	24,485,167
Assets		27,403,609	30,390,951

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		118,911	99,595
Reserve for development costs		4,929,466	3,909,992
Retained earnings		-7,404,676	-3,486,999
Equity		-2,356,299	522,588
Other payables		21,501,699	19,626,649
Long-term debt	8	21,501,699	19,626,649
Trade payables		5,614,972	5,398,116
Other payables	8	2,643,237	4,843,598
Short-term debt		8,258,209	10,241,714
Debt		29,759,908	29,868,363
Liabilities and equity		27,403,609	30,390,951
Going concern	1		
Contingent assets, liabilities and other financial obligations	9		
Accounting Policies	10		

Statement of changes in equity

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	99,595	3,909,992	-3,486,999	522,588
Capital increase	19,316	0	4,171,396	4,190,712
Development costs for the year	0	1,019,474	-1,019,474	0
Net profit/loss for the year	0	0	-7,069,599	-7,069,599
Equity at 31 December	118,911	4,929,466	-7,404,676	-2,356,299

Notes to the Financial Statements

1. Going concern

The Company has lost its share capital as of 31 December 2023.

However, in May 2024 the Company received a capital injection of approx. DKKm 4, which has contributed to the re-establishment of the Company's share capital. Moreover, the injection is sufficient for the Company to pay its liabilities as they fall due.

Consequently, the financial statements have been prepared under the assumption of going concern.

	2023	2022
	DKK	DKK
2. Staff Expenses		
Wages and salaries	11,514,754	15,657,471
Pensions	87,160	50,378
Other social security expenses	162,849	154,174
Other staff expenses	62,533	39,784
	<u>11,827,296</u>	<u>15,901,807</u>
Average number of employees	<u>30</u>	<u>44</u>

	2023	2022
	DKK	DKK
3. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		
Amortisation of intangible assets	1,505,967	718,040
Depreciation of property, plant and equipment	11,495	9,433
	<u>1,517,462</u>	<u>727,473</u>

	2023	2022
	DKK	DKK
4. Income tax expense		
Current tax for the year	1,004,020	-1,004,020
Adjustment of tax concerning previous years	0	-521,703
	<u>1,004,020</u>	<u>-1,525,723</u>

Notes to the Financial Statements

5. Intangible fixed assets

	Completed development projects
	DKK
Cost at 1 January	5,936,086
Additions for the year	2,812,985
Cost at 31 December	<u>8,749,071</u>
Impairment losses and amortisation at 1 January	923,275
Amortisation for the year	1,505,967
Impairment losses and amortisation at 31 December	<u>2,429,242</u>
Carrying amount at 31 December	<u>6,319,829</u>

6. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	63,399
Cost at 31 December	<u>63,399</u>
Impairment losses and depreciation at 1 January	33,496
Depreciation for the year	11,495
Impairment losses and depreciation at 31 December	<u>44,991</u>
Carrying amount at 31 December	<u>18,408</u>

7. Other fixed asset investments

	Deposits
	DKK
Cost at 1 January	863,070
Additions for the year	150,000
Cost at 31 December	<u>1,013,070</u>
Carrying amount at 31 December	<u>1,013,070</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
8. 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:		
Other payables		
After 5 years	0	0
Between 1 and 5 years	<u>21,501,699</u>	<u>19,626,649</u>
Long-term part	<u>21,501,699</u>	<u>19,626,649</u>
Other short-term payables	<u>2,643,237</u>	<u>4,843,598</u>
	<u>24,144,936</u>	<u>24,470,247</u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
9. 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	17,742,122	15,991,495
Rental and lease obligations		
Lease obligations, period of non-terminability 12 months	347,184	879,687

Notes to the Financial Statements

10. Accounting policies

The Annual Report of AnnoAnno ApS for 2023 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 2023 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

Revenue

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

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, 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.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale 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.

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Development projects

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.

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

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.

Notes to the Financial Statements

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.

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 liabilities

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