

# LS Retail Danmark ApS

Præstevej 10A  
3480 Fredensborg  
Denmark

CVR no. 38 77 37 39

## Annual report 2021/22

The annual report was presented and approved at  
the Company's annual general meeting on

31 March 2023



Fanney Margret Hafthorsdottir  
Chairman

## Contents

Statement by the Board of Directors and the Executive Board	2
Auditor's report on the compilation of financial statements	3
Management's review	4
Company details	4
Operating review	5
Financial statements 1 October – 30 September	6
Income statement	6
Balance sheet	7
Statement of changes in equity	9
Notes	10

**LS Retail Danmark ApS**  
Annual report 2021/22  
CVR no. 38 77 37 39

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of LS Retail Danmark ApS for the financial year 1 October 2021 – 30 September 2022.

The annual report, which has not been audited, is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 September 2022 and of the results of the Company's operations for the financial year 1 October 2021 – 30 September 2022.

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

We recommend that the annual report be approved at the annual general meeting.

Fredensborg, 31 March 2023  
Executive Board:



Fanney Margret  
Hafthorsdottir  
CEO

Board of Directors:



Hlynur Elisson  
Chairman



Fanney Margret  
Hafthorsdottir

Management confirms that the Company fulfils the requirements to be exempt of audit.



## Auditor's report on the compilation of financial statements

### To the Management of LS Retail Danmark ApS

We have compiled the financial statements of LS Retail Danmark ApS for the financial year 1 October 2021 – 30 September 2022 based on the Company's bookkeeping records and other information provided by you.

The financial statements comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 *Compilation Engagements*.

We have applied our professional expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Auditors Act, including the requirements for independence, and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental principles of integrity, objectivity, professional competence and due care.

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

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion as to whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 31 March 2023

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Morten Høgh-Petersen  
State Authorised  
Public Accountant  
mne34283

Stine Nielsen  
State Authorised  
Public Accountant  
mne47763

**LS Retail Danmark ApS**  
Annual report 2021/22  
CVR no. 38 77 37 39

## **Management's review**

### **Company details**

LS Retail Danmark ApS  
Præstevej 10A  
3480 Fredensborg  
Denmark

CVR no.:	38 77 37 39
Established:	1 July 2017
Registered office:	Fredensborg
Financial year:	1 October – 30 September

### **Board of Directors**

Hlynur Elísson, Chairman  
Fanney Margret Hafthorsdottir

### **Executive Board**

Fanney Margret Hafthorsdottir, CEO

## **Management's review**

### **Operating review**

#### **Principal activities**

To provide principal consulting concerning software as well as sales of software and connected business.

#### **Development in activities and financial position**

The Company's income statement for 2021/22 shows a profit of DKK 212,789 as against DKK 209,710 for the period 1 January - 30 September 2021. Equity in the Company's balance sheet at 30 September 2022 stood at DKK 1,146,675 as against DKK 933,886 at 30 September 2021.

#### **Events after the balance sheet date**

No events have occurred after the balance sheet date which could significantly affect the Company's financial position.

## Financial statements 1 October – 30 September

### Income statement

DKK	Note	1/10 2021- 30/9 2022	1/1 2021- 30/9 2021
<b>Gross profit</b>		4,235,299	3,770,510
Staff costs	2	-3,917,183	-3,463,560
Depreciation, amortisation and impairment losses		<u>-21,093</u>	<u>-23,852</u>
<b>Profit before financial income and expenses</b>		297,023	283,098
Other financial expenses		<u>-9,786</u>	<u>-11,078</u>
<b>Profit before tax</b>		287,237	272,020
Tax on profit for the year		<u>-74,448</u>	<u>-62,310</u>
<b>Profit for the year</b>		<u>212,789</u>	<u>209,710</u>
<b>Proposed profit appropriation</b>			
Retained earnings		<u>212,789</u>	<u>209,710</u>
		<u>212,789</u>	<u>209,710</u>

## Financial statements 1 October – 30 September

### Balance sheet

DKK	Note	30/9 2022	30/9 2021
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Property, plant and equipment</b>			
Fixtures and fittings, tools and equipment		<u>10,089</u>	<u>31,183</u>
<b>Investments</b>			
Other securities and equity investments		<u>88</u>	<u>0</u>
<b>Total fixed assets</b>		<u>10,177</u>	<u>31,183</u>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group entities		384,042	884,416
Other receivables		8,942	1,492
Prepayments		<u>3,118</u>	<u>39,399</u>
		<u>396,102</u>	<u>925,307</u>
<b>Cash at bank and in hand</b>		<u>1,004,133</u>	<u>417,253</u>
<b>Total current assets</b>		<u>1,400,235</u>	<u>1,342,560</u>
<b>TOTAL ASSETS</b>		<u><u>1,410,412</u></u>	<u><u>1,373,743</u></u>



## Financial statements 1 October – 30 September

### Balance sheet

DKK	Note	30/9 2022	30/9 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		50,000	50,000
Retained earnings		<u>1,096,675</u>	<u>883,886</u>
<b>Total equity</b>		<u>1,146,675</u>	<u>933,886</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Payables to group entities		<u>27,975</u>	<u>0</u>
<b>Current liabilities</b>			
Trade payables		28	48,621
Corporation tax		65,813	39,414
Other payables		<u>169,921</u>	<u>351,822</u>
		<u>235,762</u>	<u>439,857</u>
<b>Total liabilities</b>		<u>263,737</u>	<u>439,857</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,410,412</u>	<u>1,373,743</u>
<b>Related party disclosures</b>	3		

## Financial statements 1 October – 30 September

### Statement of changes in equity

DKK	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 October 2021	50,000	883,886	933,886
Transferred over the profit appropriation	<u>0</u>	<u>212,789</u>	<u>212,789</u>
<b>Equity at 30 September 2022</b>	<u><u>50,000</u></u>	<u><u>1,096,675</u></u>	<u><u>1,146,675</u></u>

## Financial statements 1 October – 30 September

### Notes

#### 1 Accounting policies

The annual report of LS Retail Danmark ApS for 2021/22 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

### Income statement

#### Gross profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

#### Revenue

Income is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue.

Services based on time spent are recognised in revenue as the work is performed.

#### Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

#### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees.

## Financial statements 1 October – 30 September

### Notes

#### 1 Accounting policies (continued)

##### Financial income and expenses

Financial income and expenses comprise interest income and expenses, as well as gains and losses on transactions in foreign currencies.

##### Tax on profit for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

### Balance sheet

#### Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Gains and losses on the disposal of plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

#### Securities and equity investments

Other securities and equity investments included in investment comprise unlisted shares that Management considers investment securities. The equity investments are measured at cost.

## Financial statements 1 October – 30 September

### Notes

#### 1 Accounting policies (continued)

##### Impairment of fixed assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

##### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

##### Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

##### Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

## Financial statements 1 October – 30 September

### Notes

#### 1 Accounting policies (continued)

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

#### Liabilities

Other liabilities are measured at amortised cost.

## Financial statements 1 October – 30 September

### Notes

DKK	1/10 2021- 30/9 2022	1/1 2021- 30/9 2021
<b>2 Staff costs</b>		
Wages and salaries	3,906,586	3,455,419
Other social security costs	<u>10,597</u>	<u>8,141</u>
	<u>3,917,183</u>	<u>3,463,560</u>
Average number of full-time employees	<u>3</u>	<u>5</u>

### 3 Related party disclosures

LS Retail Danmark ApS' related parties comprise the following:

#### Control

LS Retail ehf., Hagasmari 3, 201 Kopavogur, Island.

LS Retail ehf. holds the majority of the contributed capital in the Company.

LS Retail Danmark ApS is part of the consolidated financial statements of LS Retail ehf., Hagasmari 3, 201 Kopavogur, Island, which is the smallest group, in which the Company is included as a subsidiary.

The consolidated financial statements of LS Retail ehf. can be obtained by contacting the Company at the address above.