

ba&sh Denmark ApS

Smedeland 7, 2600 Glostrup

Company reg. no. 39 53 73 62

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 27 August 2020.

Grégoire Chevalier
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British 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 report

The executive board has today presented the annual report of ba&sh Denmark ApS for the financial year 1 January to 31 December 2019.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

The executive board considers the requirements of omission of audit of the annual accounts for 2019 as met.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Glostrup, 27 August 2020

Executive board

Pierre-Arnaud Grenade

Scharon-Alegrine Krief

Serge Daniel Arrouas

Auditor's report on compilation of the annual accounts

To the shareholders of ba&sh Denmark ApS

We have compiled the annual accounts of ba&sh Denmark ApS for the period 1 January to 31 December 2019 based on the bookkeeping of the company and on further information you have provided.

The annual accounts comprise the accounting policies used, profit and loss account, balance sheet and notes.

We performed this engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the annual accounts in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The annual accounts 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 the annual accounts. Accordingly, we do not express an audit opinion or a review conclusion on whether the annual accounts are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 27 August 2020

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Brian Rasmussen

State Authorised Public Accountant
mne30153

Company data

The company

ba&sh Denmark ApS
Smedeland 7
2600 Glostrup

Company reg. no. 39 53 73 62

Established: 20 April 2018

Domicile:

Financial year: 1 January - 31 December

Executive board

Pierre-Arnaud Grenade
Scharon-Alegrine Krief
Serge Daniel Arrouas

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Parent company

ba&sh S.A.S.

Management's review

The principal activities of the company

The company activities are sale of clothes and related services.

Development in activities and financial matters

The gross profit for the year is DKK 709.000 against DKK 50.000 last year. The results from ordinary activities after tax are DKK -1.593.000 against DKK -544.000 last year.

The management is aware of the capital loss rules. The company activity is supported by the parent company with a letter of support. The management therefore presents the accounts as going concern.

Accounting policies used

The annual report for ba&sh Denmark ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The annual accounts are presented in Danish kroner (DKK).

Translation of foreign currency

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.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

Income statement

Gross profit

The gross profit comprises the net turnover, changes in inventories and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

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

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

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

Depreciation, amortisation and writedown

Depreciation and writedown comprise depreciation and writedown relating to intangible and tangible fixed assets respectively.

Accounting policies used

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

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 balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of 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 book value, the amortisation discontinues.

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

The cost comprises the acquisition cost and costs directly attached to 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.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	Useful life
Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Accounting policies used

Leasing

At the first recognition in the balance sheet, leases concerning tangible fixed assets by which the company holds all essential risks and advantages attached to the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the internal interest rate of the lease or alternatively the borrowing rate of the enterprise is used as discount rate. Afterwards, assets held under a finance lease are treated in the same way as other similar tangible assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest part of the lease is recognised in the profit and loss account over the term of the contract.

Leases are regarded as operating leases. Payments in connection with operating leases and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operating leases and rental agreements are recognised under contingencies etc.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets 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. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Inventories

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Accounting policies used

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

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.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, 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.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account

All amounts in DKK.

<u>Note</u>	<u>1/1 - 31/12 2019</u>	<u>20/4 - 31/12 2018</u>
Gross profit	708.764	49.633
2 Staff costs	-1.968.241	-554.194
Depreciation and writedown relating to tangible fixed assets	-270.958	-27.793
Operating profit	-1.530.435	-532.354
Other financial costs	-62.524	-12.095
Results before tax	-1.592.959	-544.449
Tax on ordinary results	0	0
Results for the year	-1.592.959	-544.449
 Proposed distribution of the results:		
Allocated from results brought forward	-1.592.959	-544.449
Distribution in total	-1.592.959	-544.449

Balance sheet 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2019</u>	<u>2018</u>
Fixed assets		
3 Other plants, operating assets, and fixtures and furniture	1.441.116	431.094
Tangible fixed assets in total	<u>1.441.116</u>	<u>431.094</u>
Fixed assets in total	<u>1.441.116</u>	<u>431.094</u>
Current assets		
Manufactured goods and trade goods	1.226.351	578.712
Inventories in total	<u>1.226.351</u>	<u>578.712</u>
Trade debtors	442.545	307.036
Other debtors	360.000	0
Accrued income and deferred expenses	65.191	0
Debtors in total	<u>867.736</u>	<u>307.036</u>
Available funds	432.486	272.955
Current assets in total	<u>2.526.573</u>	<u>1.158.703</u>
Assets in total	<u>3.967.689</u>	<u>1.589.797</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2019</u>	<u>2018</u>
Equity			
4	Contributed capital	50.000	50.000
5	Results brought forward	-2.137.408	-544.449
	Equity in total	-2.087.408	-494.449
Liabilities			
	Trade creditors	209.543	108.116
	Debt to group enterprises	5.276.621	1.723.882
	Other debts	568.933	252.248
	Short-term liabilities in total	6.055.097	2.084.246
	Liabilities in total	6.055.097	2.084.246
	Equity and liabilities in total	3.967.689	1.589.797

1 Uncertainties concerning the enterprise's ability to continue as a going concern

Notes

All amounts in DKK.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

The company activity is supported by the parent company with a letter of support. The management therefore presents the accounts as going concern.

	1/1 - 31/12 2019	20/4 - 31/12 2018
2. Staff costs		
Salaries and wages	1.753.002	496.247
Pension costs	175.724	45.619
Other costs for social security	39.515	12.328
	1.968.241	554.194
Average number of employees	6	2
3. Other plants, operating assets, and fixtures and furniture		
Cost 1 January 2019	458.887	0
Additions during the year	1.280.980	458.887
Cost 31 December 2019	1.739.867	458.887
Depreciation and writedown 1 January 2019	-27.793	0
Depreciation for the year	-270.958	-27.793
Depreciation and writedown 31 December 2019	-298.751	-27.793
Book value 31 December 2019	1.441.116	431.094
4. Contributed capital		
Contributed capital 1 January 2019	50.000	50.000
	50.000	50.000
5. Results brought forward		
Results brought forward 1 January 2019	-544.449	0
Profit or loss for the year brought forward	-1.592.959	-544.449
	-2.137.408	-544.449