



CHRISTENSEN  
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET  
REVISIONSAKTIESELSKAB

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# Eleven Australia Europe A/S

Refshalevej 163 A, 2., 1432 København K

Company reg. no. 40 10 01 21

## Annual report

1 July 2019 - 30 June 2020

The annual report was submitted and approved by the general meeting on the 2 December 2020.

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Jan Benny Sommer  
Chairman of the meeting

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 %.



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## **Management's report**

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Today, the board of directors and the managing director have presented the annual report of Eleven Australia Europe A/S for the financial year 1 July 2019 - 30 June 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 30 June 2020 and of the company's results of activities in the financial year 1 July 2019 – 30 June 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Copenhagen, 2 December 2020

### **Managing Director**

Jan Benny Sommer

### **Board of directors**

Peter Leo McDonald

Carlo Gattuso

Henriette Sophia Groskopff Tvede  
Schleimann

Jan Benny Sommer



## **Independent auditor's report**

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**To the shareholder of Eleven Australia Europe A/S**

### **Opinion**

We have audited the financial statements of Eleven Australia Europe A/S for the financial year 1 July 2019 - 30 June 2020, which comprise accounting policies, income statement, statement of financial position and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 30 June 2020 and of the results of the company's activities for the financial year 1 July 2019 - 30 June 2020 in accordance with the Danish Financial Statements Act.

### **Basis for opinion**

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

### **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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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.



## **Independent auditor's report**

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As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.



## **Independent auditor's report**

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In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 2 December 2020

### **Christensen Kjarulff**

Statsautoriseret Revisionsaktieselskab  
Company reg. no. 15 91 56 41

### **Iver Haugsted**

State Authorised Public Accountant  
mne10678



## Company information

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### **The company**

Eleven Australia Europe A/S  
Refshalevej 163 A, 2.  
1432 København K

Company reg. no. 40 10 01 21  
Established: 18 December 2018  
Domicile: Copenhagen  
Financial year: 1 July - 30 June

### **Board of directors**

Peter Leo McDonald  
Carlo Gattuso  
Henriette Sophia Groskopff Tvede Schleimann  
Jan Benny Sommer

### **Managing Director**

Jan Benny Sommer

### **Auditors**

Christensen Kjarulff  
Statsautoriseret Revisionsaktieselskab  
Store Kongensgade 68  
1264 København K



## **Management commentary**

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### **The principal activities of the company**

The company's principal activity is to sell hair products to the European market.

### **Development in activities and financial matters**

The gross profit for the year totals DKK 7.294.371 against DKK 1.884.954 last year. Income or loss from ordinary activities after tax totals DKK 4.407.729 against DKK 1.102.898 last year. Management considers the net profit or loss for the year satisfactory.





## Income statement

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All amounts in DKK.

<u>Note</u>	1/7 2019 - 30/6 2020	18/12 2018 - 30/6 2019
<b>Gross profit</b>	<b>7.294.371</b>	<b>1.884.954</b>
1 Staff costs	-1.428.817	-417.799
Depreciation and impairment of property, land, and equipment	-16.497	0
<b>Operating profit</b>	<b>5.849.057</b>	<b>1.467.155</b>
Other financial income	5.927	1.647
2 Other financial costs	-149.150	-47.828
<b>Pre-tax net profit or loss</b>	<b>5.705.834</b>	<b>1.420.974</b>
Tax on net profit or loss for the year	-1.298.105	-318.076
<b>Net profit or loss for the year</b>	<b>4.407.729</b>	<b>1.102.898</b>
<b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	4.407.729	1.102.898
<b>Total allocations and transfers</b>	<b>4.407.729</b>	<b>1.102.898</b>



## Statement of financial position at 30 June

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All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Non-current assets</b>		
3 Other fixtures and fittings, tools and equipment	49.483	0
Total property, plant, and equipment	<u>49.483</u>	<u>0</u>
4 Equity investments in group enterprises	74.621	0
5 Deposits	337.325	0
Total investments	<u>411.946</u>	<u>0</u>
<b>Total non-current assets</b>	<b><u>461.429</u></b>	<b><u>0</u></b>
<b>Current assets</b>		
Raw materials and consumables	1.460.193	336.928
Manufactured goods and goods for resale	7.336.336	4.527.571
Total inventories	<u>8.796.529</u>	<u>4.864.499</u>
Trade receivables	6.904.010	2.714.821
Receivables from group enterprises	760.996	0
Other receivables	737.576	2.360.116
Prepayments and accrued income	66.737	132.576
Total receivables	<u>8.469.319</u>	<u>5.207.513</u>
Cash on hand and demand deposits	<u>3.079.657</u>	<u>1.752.463</u>
<b>Total current assets</b>	<b><u>20.345.505</u></b>	<b><u>11.824.475</u></b>
<b>Total assets</b>	<b><u>20.806.934</u></b>	<b><u>11.824.475</u></b>



## Statement of financial position at 30 June

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All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2020</u>	<u>2019</u>
<b>Equity</b>			
6	Contributed capital	400.000	400.000
7	Retained earnings	5.510.627	1.102.898
	<b>Total equity</b>	<b>5.910.627</b>	<b>1.502.898</b>
 <b>Liabilities other than provisions</b>			
	Bank loans	56.181	52.705
	Trade payables	138.673	501.912
	Payables to group enterprises	11.235.393	9.169.285
	Income tax payable	1.246.477	318.076
8	Income tax payable to group enterprises	49.704	0
	Other payables	113.956	35.662
	Accruals and deferred income	2.055.923	243.937
	Total short term liabilities other than provisions	14.896.307	10.321.577
	<b>Total liabilities other than provisions</b>	<b>14.896.307</b>	<b>10.321.577</b>
	<b>Total equity and liabilities</b>	<b>20.806.934</b>	<b>11.824.475</b>

## 9 Contingencies



## Notes

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All amounts in DKK.

	1/7 2019 - 30/6 2020	18/12 2018 - 30/6 2019
<b>1. Staff costs</b>		
Salaries and wages	1.413.180	415.905
Other costs for social security	15.637	1.894
	<u>1.428.817</u>	<u>417.799</u>
 Average number of employees	 <u>3</u>	 <u>1</u>
 <b>2. Other financial costs</b>		
Other financial costs	149.150	47.828
	<u>149.150</u>	<u>47.828</u>
 <b>3. Other fixtures and fittings, tools and equipment</b>		
Additions during the year	65.980	0
<b>Cost 30 June 2020</b>	<u>65.980</u>	<u>0</u>
Depreciation for the year	-16.497	0
<b>Amortisation and writedown 30 June 2020</b>	<u>-16.497</u>	<u>0</u>
 <b>Carrying amount, 30 June 2020</b>	 <u>49.483</u>	 <u>0</u>
 <b>4. Equity investments in group enterprises</b>		
Additions during the year	74.621	0
<b>Carrying amount, 30 June 2020</b>	<u>74.621</u>	<u>0</u>
 <b>5. Deposits</b>		
Additions during the year	337.325	0
<b>Cost 30 June 2020</b>	<u>337.325</u>	<u>0</u>
 <b>Carrying amount, 30 June 2020</b>	 <u>337.325</u>	 <u>0</u>



## Notes

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All amounts in DKK.

	<u>30/6 2020</u>	<u>30/6 2019</u>
<b>6. Contributed capital</b>		
Contributed capital 1 July 2019	400.000	400.000
	<u>400.000</u>	<u>400.000</u>
<b>7. Retained earnings</b>		
Retained earnings 1 July 2019	1.102.898	0
Profit or loss for the year brought forward	4.407.729	1.102.898
	<u>5.510.627</u>	<u>1.102.898</u>
<b>8. Income tax payable to group enterprises</b>		
Short term tax payables to Eleven ApS	49.704	0
	<u>49.704</u>	<u>0</u>

## 9. Contingencies

### 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.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

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



## Accounting policies

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The annual report for Eleven Australia Europe A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B 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 income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### **Income statement**

#### **Gross profit**

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and 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. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.



## **Accounting policies**

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Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

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

### **Staff costs**

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

### **Depreciation, amortisation, and writedown for impairment**

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

### **Financial income and expenses**

Financial income and expenses 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 income statement with the amounts concerning the financial year.

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

### **Tax on net profit or loss for the year**

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

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

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



## Accounting policies

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### Statement of financial position

#### **Property, plant, and equipment**

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

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in company equity.

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

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 when the useful lives of each individual components differ.

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	3-5 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.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

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

The carrying amount of tangible assets as well as equity investments in subsidiaries and associates are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation, respectively.





## **Accounting policies**

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

The recoverable amount 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 derived from the use of the asset or group of assets.

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

### **Investments**

#### **Equity investments in group enterprises**

Equity investments in group enterprises are measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

### **Deposits**

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

### **Inventories**

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value 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 market 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 face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

### **Prepayments and accrued income**

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

### **Cash on hand and demand deposits**

Cash on hand and demand deposits comprise cash at bank and on hand.



## **Accounting policies**

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### **Income tax and deferred tax**

Current tax receivables and tax liabilities are recognised in the statement of financial position with 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 receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Eleven Australia Europe A/S is jointly taxed with the Danish group companies and acts, in this respect, as the administration company. According to the rules of joint taxation, Eleven Australia Europe A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

### **Liabilities other than provisions**

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

### **Accruals and deferred income**

Payments received concerning future income are recognised under accruals and deferred income.