



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 2020 - 30 June 2021

The annual report was submitted and approved by the general meeting on the 9 November 2021.

Jan Benny Sommer
Chairman of the meeting



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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 %.



Management's report

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 2020 - 30 June 2021.

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

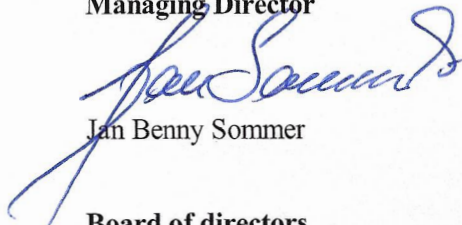
We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 30 June 2021 and of the company's results of activities in the financial year 1 July 2020 – 30 June 2021.

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.

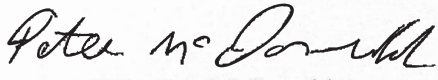
Copenhagen, 9 November 2021

Managing Director

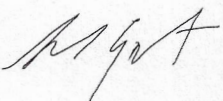


Jan Benny Sommer

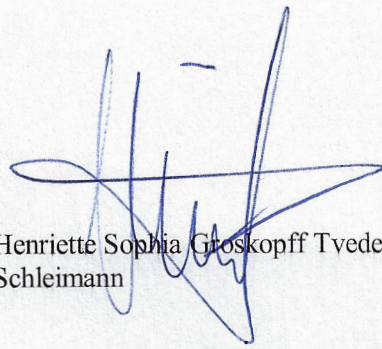
Board of directors



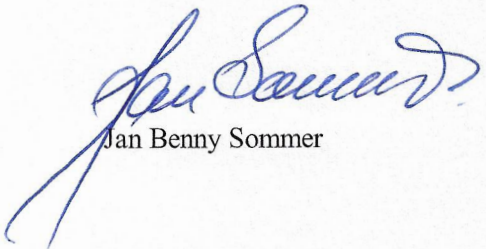
Peter Leo McDonald



Carlo Gattuso



Henriette Sophia Groskopff Tvede
Schleimann



Jan Benny Sommer



Independent auditor's report

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 2020 - 30 June 2021, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies. 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 2021 and of the results of the company's activities for the financial year 1 July 2020 - 30 June 2021 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 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.

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

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

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, 9 November 2021

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Iver Haugsted
State Authorised Public Accountant
mne10678



Company information

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

Subsidiary

Eleven Australia France SAS, France



Management commentary

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 16.964.596 against DKK 7.294.371 last year. Income or loss from ordinary activities after tax totals DKK 10.104.020 against DKK 4.407.729 last year. Management considers the net profit or loss for the year satisfactory.



Income statement 1 July - 30 June

All amounts in DKK.

<u>Note</u>	<u>2020/21</u>	<u>2019/20</u>
Gross profit	16.964.596	7.294.371
1 Staff costs	-4.533.485	-1.428.817
Depreciation and impairment of property, land, and equipment	<u>-59.151</u>	<u>-16.497</u>
Operating profit	12.371.960	5.849.057
Other financial income	629.122	5.927
Other financial costs	<u>-33.330</u>	<u>-149.150</u>
Pre-tax net profit or loss	12.967.752	5.705.834
Tax on net profit or loss for the year	<u>-2.863.732</u>	<u>-1.298.105</u>
Net profit or loss for the year	<u>10.104.020</u>	<u>4.407.729</u>
Proposed appropriation of net profit:		
Transferred to retained earnings	<u>10.104.020</u>	<u>4.407.729</u>
Total allocations and transfers	<u>10.104.020</u>	<u>4.407.729</u>



Statement of financial position at 30 June

All amounts in DKK.

Assets			
<u>Note</u>		<u>2021</u>	<u>2020</u>
Non-current assets			
2	Other fixtures and fittings, tools and equipment	330.955	49.483
	Total property, plant, and equipment	<u>330.955</u>	<u>49.483</u>
3	Equity investments in group enterprises	74.621	74.621
4	Deposits	150.000	337.325
	Total investments	<u>224.621</u>	<u>411.946</u>
	Total non-current assets	<u>555.576</u>	<u>461.429</u>
Current assets			
	Raw materials and consumables	2.225.432	1.460.193
	Manufactured goods and goods for resale	22.015.645	7.336.336
	Total inventories	<u>24.241.077</u>	<u>8.796.529</u>
	Trade receivables	9.999.444	6.904.010
	Receivables from group enterprises	2.414.128	760.996
	Other receivables	1.255.931	737.576
	Prepayments and accrued income	4.395.505	66.737
	Total receivables	<u>18.065.008</u>	<u>8.469.319</u>
	Cash on hand and demand deposits	<u>1.714.369</u>	<u>3.079.657</u>
	Total current assets	<u>44.020.454</u>	<u>20.345.505</u>
	Total assets	<u>44.576.030</u>	<u>20.806.934</u>



Statement of financial position at 30 June

All amounts in DKK.

Equity and liabilities

<u>Note</u>	<u>2021</u>	<u>2020</u>
Equity		
Contributed capital	400.000	400.000
Retained earnings	<u>15.614.647</u>	<u>5.510.627</u>
Total equity	<u>16.014.647</u>	<u>5.910.627</u>
Provisions		
Provisions for deferred tax	<u>8.442</u>	<u>0</u>
Total provisions	<u>8.442</u>	<u>0</u>
Liabilities other than provisions		
Bank loans	135.178	56.181
Trade payables	2.954.413	138.673
Payables to group enterprises	19.855.216	11.235.393
Income tax payable	2.740.907	1.246.477
Income tax payable to group enterprises	21.516	49.704
Other payables	2.118.921	113.956
Accruals and deferred income	<u>726.790</u>	<u>2.055.923</u>
Total short term liabilities other than provisions	<u>28.552.941</u>	<u>14.896.307</u>
Total liabilities other than provisions	<u>28.552.941</u>	<u>14.896.307</u>
Total equity and liabilities	<u>44.576.030</u>	<u>20.806.934</u>

5 Contingencies



Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 July 2019	400.000	1.102.898	1.502.898
Profit or loss for the year brought forward	0	4.407.729	4.407.729
Equity 1 July 2020	400.000	5.510.627	5.910.627
Profit or loss for the year brought forward	0	10.104.020	10.104.020
	400.000	15.614.647	16.014.647



Notes

All amounts in DKK.

	<u>2020/21</u>	<u>2019/20</u>
1. Staff costs		
Salaries and wages	4.408.679	1.413.180
Pension costs	96.610	0
Other costs for social security	28.196	15.637
	<u>4.533.485</u>	<u>1.428.817</u>
Average number of employees	<u>6</u>	<u>3</u>
	<u>30/6 2021</u>	<u>30/6 2020</u>
2. Other fixtures and fittings, tools and equipment		
Cost 1 July 2020	65.980	0
Additions during the year	340.623	65.980
Cost 30 June 2021	<u>406.603</u>	<u>65.980</u>
Amortisation and writedown 1 July 2020	-16.497	0
Depreciation for the year	-59.151	-16.497
Amortisation and writedown 30 June 2021	<u>-75.648</u>	<u>-16.497</u>
Carrying amount, 30 June 2021	<u>330.955</u>	<u>49.483</u>



Notes

All amounts in DKK.

	<u>30/6 2021</u>	<u>30/6 2020</u>
3. Equity investments in group enterprises		
Acquisition sum, opening balance 1 July 2020	74.621	0
Additions during the year	<u>0</u>	<u>74.621</u>
Cost 30 June 2021	<u>74.621</u>	<u>74.621</u>
Carrying amount, 30 June 2021	<u>74.621</u>	<u>74.621</u>

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, Eleven Australia Europe A/S
Eleven Australia France SAS, France	100 %	<u>279.867</u>	<u>135.687</u>	<u>74.621</u>
		<u>279.867</u>	<u>135.687</u>	<u>74.621</u>

4. Deposits		
Cost 1 July 2020	337.325	0
Additions during the year	0	337.325
Disposals during the year	<u>-187.325</u>	<u>0</u>
Cost 30 June 2021	<u>150.000</u>	<u>337.325</u>
Carrying amount, 30 June 2021	<u>150.000</u>	<u>337.325</u>

5. Contingencies

Contingent liabilities

	<u>30/6 2021 DKK in thousands</u>
Lease liabilities	<u>155</u>
Total contingent liabilities	<u>155</u>



Notes

All amounts in DKK.

5. Contingencies (continued)

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and, as from the financial year 2012, is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

As from 1 July 2012, 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 total tax payable under the joint taxation scheme totals DKK 3.082.000.

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

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. Furthermore, the company has decided to comply with certain rules applying to reporting class C 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

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.

Results from equity investments in group enterprises

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).

Statement of financial position

Property, plant, and equipment

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



Accounting policies

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, the useful lives of each individual components differing.

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 both intangible and tangible fixed assets as well as equity investments in group enterprises 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 for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

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



Accounting policies

Investments

Equity investments in group enterprises

Equity investments in group enterprises are recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to 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.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

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 nominal value. In order to meet expected losses, impairment takes place at 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.

Income tax and deferred tax

As administration company, Eleven Australia Europe A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.



Accounting policies

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, 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. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables 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.