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 2021 - 30 June 2022

The annual report was submitted and approved by the general meeting on the 20 December 2022.

Jan Benny Sommer
Chairman of the meeting

Contents

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 statement

Today, the Board of Directors and the Managing Director have approved the annual report of Eleven Australia Europe A/S for the financial year 1 July 2021 - 30 June 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2022 and of the results of the Company's operations for the financial year 1 July 2021 – 30 June 2022.

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

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 20 December 2022

Managing Director

Ntion Tzon Lamprinos

Board of directors

Peter Leo McDonald

Jan Benny Sommer

Henriette Sophia Groskopff Tvede Schleimann

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 2021 - 30 June 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2022, and of the results of the Company's operations for the financial year 1 July 2021 - 30 June 2022 in accordance with the Danish Financial Statements Act.

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.

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.

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 judgment and maintain professional skepticism 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.

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.

Independent auditor's report

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, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 20 December 2022

Christensen Kjærulff
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 Jan Benny Sommer Henriette Sophia Groskopff Tvede Schleimann	
Managing Director	Ntion Tzon Lamprinos	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K	
Subsidiary	Eleven Australia France SAS, France	

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 17.652.039 against DKK 16.964.596 last year. Income or loss from ordinary activities after tax totals DKK 7.847.548 against DKK 10.104.020 last year. Management considers the net profit or loss for the year satisfactory.

Income statement 1 July - 30 June

All amounts in DKK.

Note		2021/22	2020/21
	Gross profit	**17.652.039**	**16.964.596**
1	Staff costs	-5.508.056	-4.533.485
	Depreciation and impairment of property, land, and equipment	-91.836	-59.151
	Operating profit	**12.052.147**	**12.371.960**
	Other financial income	2.320	629.122
2	Other financial expenses	-1.858.681	-33.330
	Pre-tax net profit or loss	**10.195.786**	**12.967.752**
	Tax on net profit or loss for the year	-2.348.238	-2.863.732
	Net profit or loss for the year	**7.847.548**	**10.104.020**
	Proposed appropriation of net profit:		
	Transferred to retained earnings	7.847.548	10.104.020
	Total allocations and transfers	**7.847.548**	**10.104.020**

Balance sheet at 30 June

All amounts in DKK.

Note	Assets	2022	2021
	Non-current assets		
3	Other fixtures and fittings, tools and equipment	256.307	330.955
	Total property, plant, and equipment	256.307	330.955
4	Investments in subsidiaries	74.621	74.621
5	Deposits	198.136	150.000
	Total investments	272.757	224.621
	Total non-current assets	**529.064**	**555.576**
	Current assets		
	Raw materials and consumables	858.481	2.225.432
	Manufactured goods and goods for resale	34.149.419	22.015.645
	Total inventories	35.007.900	24.241.077
	Trade receivables	12.604.921	9.999.444
	Receivables from subsidiaries	98.337	2.414.128
	Other receivables	1.715.400	1.255.931
	Prepayments	4.544.606	4.395.505
	Total receivables	18.963.264	18.065.008
	Cash and cash equivalents	3.852.375	1.714.369
	Total current assets	**57.823.539**	**44.020.454**
	Total assets	**58.352.603**	**44.576.030**

Balance sheet at 30 June

All amounts in DKK.

Note	Equity and liabilities	2022	2021
	Equity		
	Contributed capital	400.000	400.000
	Retained earnings	23.462.195	15.614.647
	Total equity	**23.862.195**	**16.014.647**
	Provisions		
	Provisions for deferred tax	5.276	8.442
	Total provisions	**5.276**	**8.442**
	Liabilities other than provisions		
	Bank loans	4.344.843	0
	Payables to subsidiaries	209.130	0
	Income tax payable	2.241.511	0
6	Total long term liabilities other than provisions	6.795.484	0
6	Current portion of long term liabilities	1.400.000	0
	Bank loans	3.690.071	135.178
	Trade payables	2.017.503	2.954.413
	Payables to subsidiaries	13.486.878	19.855.216
	Income tax payable	2.823.446	2.740.907
	Income tax payable to subsidiaries	1.144	21.516
	Other payables	1.644.568	2.118.921
	Deferred income	2.626.038	726.790
	Total short term liabilities other than provisions	27.689.648	28.552.941
	Total liabilities other than provisions	**34.485.132**	**28.552.941**
	Total equity and liabilities	**58.352.603**	**44.576.030**

7 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
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
Equity 1 July 2021	400.000	15.614.647	16.014.647
Profit or loss for the year brought forward	0	7.847.548	7.847.548
	400.000	**23.462.195**	**23.862.195**

Notes

All amounts in DKK.

		2021/22	2020/21
1.	**Staff costs**		
	Salaries and wages	5.187.979	4.408.679
	Pension costs	275.569	96.610
	Other costs for social security	44.508	28.196
		5.508.056	**4.533.485**
	Average number of employees	7	6
2.	**Other financial expenses**		
	Other financial costs	1.858.681	33.330
		1.858.681	**33.330**

		30/6 2022	30/6 2021
3.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 July 2021	406.603	65.980
	Additions during the year	17.188	340.623
	Cost 30 June 2022	**423.791**	**406.603**
	Amortisation and writedown 1 July 2021	-75.648	-16.497
	Depreciation for the year	-91.836	-59.151
	Amortisation and writedown 30 June 2022	**-167.484**	**-75.648**
	Carrying amount, 30 June 2022	**256.307**	**330.955**

Notes

All amounts in DKK.

	30/6 2022	30/6 2021
4. Investments in subsidiaries		
Acquisition sum, opening balance 1 July 2021	74.621	74.621
Additions during the year	209.130	0
Disposals during the year	-209.130	0
Cost 30 June 2022	**74.621**	**74.621**
Carrying amount, 30 June 2022	**74.621**	**74.621**

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 %	494.558	215.090	74.621

	30/6 2022	30/6 2021
5. Deposits		
Cost 1 July 2021	150.000	337.325
Additions during the year	48.136	0
Disposals during the year	0	-187.325
Cost 30 June 2022	**198.136**	**150.000**
Carrying amount, 30 June 2022	**198.136**	**150.000**

6. Long term labilities other than provisions

	Total payables 30 Jun 2022	Current portion of long term payables	Long term payables 30 Jun 2022	Outstanding payables after 5 years
Bank loans	5.744.843	1.400.000	4.344.843	0
Payables to subsidiaries	209.130	0	209.130	0
Income tax payable	2.241.511	0	2.241.511	0
	8.195.484	**1.400.000**	**6.795.484**	**0**

All amounts in DKK.

7. Contingencies

Contingent liabilities

	30/6 2022 DKK in thousands
Lease liabilities	162
Total contingent liabilities	**162**

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 total tax payable under the joint taxation scheme totals DKK 5.065.922.

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.

The company has withdrawn from the joint taxation with the former subsidiary Eleven ApS as of 28 January 2022 and is liable for any tax claims against the other jointly taxed companies until the time of withdrawal from the joint taxation.

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.

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

Staff costs

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

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 investments in subsidiaries

Dividend from investments in subsidiaries 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.

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 subsidiaries 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.

Investments

Investments in subsidiaries

Investments in subsidiaries arerecognised 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
Prepaymentsrecognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents
Cash and cash equivalents 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.

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.

Deferred income

Payments received concerning future income are recognised under deferred income.