

StyleStore.com A/S
Sydkrogen 12, 7300 Jelling

Annual report
2021/22

Company reg. no. 40 42 17 34

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The annual report was submitted and approved by the general meeting on the 28 March 2023.

Jesper Rasmussen
Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Contents

Page

Reports

- 1 Management's statement
- 2 Practitioner's compilation report

Management's review

- 3 Company information
- 4 Management's review

Financial statements 1 October 2021 - 30 September 2022

- 5 Income statement
- 6 Balance sheet
- 8 Statement of changes in equity
- 9 Notes
- 10 Accounting policies

Management's statement

Today, the board of directors and the managing director have presented the annual report of StyleStore.com A/S for the financial year 2021/22.

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 September 2022 and of the company's results of activities in the financial year 1 October 2021 - 30 September 2022.

The board of directors and the managing director consider the conditions for audit exemption of the 2021/22 financial statements to be met.

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 at the Annual General Meeting.

Jelling, 28 March 2023

Managing Director

Jesper Rasmussen

Board of directors

Jesper Rasmussen

Pernille Mogensen

Finn Mogensen

Practitioner's compilation report

To the Shareholders of StyleStore.com A/S

We have compiled the financial statements of StyleStore.com A/S for the financial year 1 October 2021 - 30 September 2022 based on the company's bookkeeping and on information you have provided.

These financial statements comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

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

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

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

Kolding, 28 March 2023

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Line Kovsted

State Authorised Public Accountant
mne34178

Company information

| | |
|---------------------------|---|
| The company | StyleStore.com A/S Sydkrogen 12 7300 Jelling |
| | Company reg. no. 40 42 17 34 Established: 4 April 2019 Financial year: 1 October - 30 September 3rd financial year |
| Board of directors | Jesper Rasmussen Pernille Mogensen Finn Mogensen |
| Managing Director | Jesper Rasmussen |
| Auditors | Martinsen Statsautoriseret Revisionspartnerselskab Jupitervej 4 6000 Kolding |
| Bankers | Nordea Danmark, Filial af Nordea Bank Abp, Finland, Østergade 4 - 6, 7400 Herning |
| Lawyer | Dahl Advokatpartnerselskab, Åboulevarden 17, 8000 Århus C |
| Subsidiary | StyleStore Property ApS, Jelling |

Management´s review

The principal activities of the company

StyleStore.com is a unique online fashion universe, created by passionate enthusiasts with lifelong experience in the fashion industry. We are passionate about offering a safe choice for the modern and stylish woman when it comes to the feminine luxury wardrobe, where style and sophisticated edge are always the defining characteristics.

Development in activities and financial matters

We are pleased to present the finalized financial report for the third year of operation. The results show an increase in turnover of TDKK 5.058 and a corresponding increase in gross profit of TDKK 3.075.

All in all, it has been an exciting and challenging year for our company, but also a year of significant progress on all fronts. Despite some challenges in the market and a small negative result, the management remains very optimistic about the future and expects similar progress in this financial year despite great uncertainty in the market.

We are pleased to report that our turnover has increased significantly in the past year. This is mainly due to our international expansion, where we have seen strong growth in our mainmarkets and key segments. We have also succeeded in maintaining and expanding our market position in our main markets despite increasing competition and difficult conditions.

Our investments in digitalization, logistics and green transition have also paid off. We now have a more digitalized and efficient infrastructure and distribution, as well as a better category mix and a higher degree of more sustainable products in our assortment. This has given us an advantage in service levels compared to our competitors and has made us more attractive to our customers, ensuring preferences and greater demand for our products.

As mentioned, we have unfortunately had a small negative result in the past year. This is mainly due to rising freight and logistics costs, which have had a negative impact on our bottomline. However, we have already taken measures to reduce costs and increase efficiency, and at the same time we are experiencing decreasing freight and logistics prices this year, which will strengthen the result this year.

We would like to thank our employees, customers and partners for their support and commitment over the past year. We will continue to work hard to deliver high-quality, sustainable products and services to our customers while creating value for our shareholders.

Income statement 1 October - 30 September

All amounts in DKK.

| <u>Note</u> | <u>2021/22</u> | <u>2020/21</u> |
|---|------------------|-------------------|
| Gross profit | 3.458.015 | 382.577 |
| 1 Staff costs | -3.820.383 | -3.399.299 |
| Depreciation, amortisation, and impairment | -254.832 | -229.954 |
| Other operating costs | 0 | -728.396 |
| Operating profit | -617.200 | -3.975.072 |
| Other financial income from group enterprises | 49.670 | 48.187 |
| Other financial costs | -24.303 | -34.871 |
| Pre-tax net profit or loss | -591.833 | -3.961.756 |
| Tax on ordinary results | 0 | 0 |
| Net profit or loss for the year | -591.833 | -3.961.756 |
| Proposed distribution of net profit: | | |
| Transferred to other statutory reserves | -63.216 | -197.130 |
| Allocated from retained earnings | -528.617 | -3.764.626 |
| Total allocations and transfers | -591.833 | -3.961.756 |

Balance sheet at 30 September

All amounts in DKK.

| Assets | | |
|--|--------------------------|--------------------------|
| <u>Note</u> | <u>2022</u> | <u>2021</u> |
| Non-current assets | | |
| Projects and trademarks | 339.415 | 420.461 |
| Total intangible assets | <u>339.415</u> | <u>420.461</u> |
| Other fixtures and fittings, tools and equipment | 325.778 | 403.855 |
| Total property, plant, and equipment | <u>325.778</u> | <u>403.855</u> |
| Investment in subsidiary | 800.000 | 800.000 |
| Total investments | <u>800.000</u> | <u>800.000</u> |
| Total non-current assets | <u>1.465.193</u> | <u>1.624.316</u> |
| Current assets | | |
| Manufactured goods and trade goods | 9.718.509 | 5.893.156 |
| Total inventories | <u>9.718.509</u> | <u>5.893.156</u> |
| Trade receivables | 1.640.404 | 1.295.539 |
| Receivables from group enterprises | 2.529.855 | 2.477.252 |
| Other receivables | 4.376.275 | 4.375.540 |
| Prepayments and accrued income | 45.115 | 45.115 |
| Total receivables | <u>8.591.649</u> | <u>8.193.446</u> |
| Cash on hand and demand deposits | 1.068.098 | 1.855.185 |
| Total current assets | <u>19.378.256</u> | <u>15.941.787</u> |
| Total assets | <u>20.843.449</u> | <u>17.566.103</u> |

Balance sheet at 30 September

All amounts in DKK.

| Equity and liabilities | | |
|---|--------------------------|--------------------------|
| <u>Note</u> | <u>2022</u> | <u>2021</u> |
| Equity | | |
| Contributed capital | 1.921.924 | 1.300.000 |
| Share premium account | 5.674.307 | 0 |
| Reserve for development costs | 327.960 | 327.960 |
| Other statutory reserves | -63.216 | 0 |
| Results brought forward | 2.447.012 | 2.975.629 |
| Total equity | <u>10.307.987</u> | <u>4.603.589</u> |
| | | |
| Long term liabilities other than provisions | | |
| Trade payables | 5.585.690 | 3.743.947 |
| 2 Other payables | 3.191.718 | 6.929.242 |
| 3 Total long term liabilities other than provisions | <u>8.777.408</u> | <u>10.673.189</u> |
| | | |
| Prepayments received from customers | 0 | 408.078 |
| Trade payables | 120.078 | 935.720 |
| Other payables | 1.637.976 | 945.527 |
| Total short term liabilities other than provisions | <u>1.758.054</u> | <u>2.289.325</u> |
| | | |
| Total liabilities other than provisions | <u>10.535.462</u> | <u>12.962.514</u> |
| | | |
| Total equity and liabilities | <u>20.843.449</u> | <u>17.566.103</u> |

4 Charges and security

Statement of changes in equity

All amounts in DKK.

| | <u>Contributed capital</u> | <u>Share premium</u> | <u>Reserve for development costs</u> | <u>Other statutory reserves</u> | <u>Retained earnings</u> | <u>Total</u> |
|---|----------------------------|----------------------|--|-------------------------------------|--------------------------|-------------------|
| Equity 1 | | | | | | |
| October | | | | | | |
| 2020 | 1.300.000 | 0 | 391.175 | 0 | 6.874.170 | 8.565.345 |
| Provisions of the results for the year | 0 | 0 | 0 | 0 | -3.898.541 | -3.898.541 |
| Transferred from results brought forward | 0 | 0 | -63.215 | 0 | 0 | -63.215 |
| Equity 1 | | | | | | |
| October | | | | | | |
| 2021 | 1.300.000 | 0 | 327.960 | 0 | 2.975.629 | 4.603.589 |
| Cash capital increase | 621.924 | 5.674.307 | 0 | 0 | 0 | 6.296.231 |
| Provisions of the results for the year | 0 | 0 | 0 | -63.216 | -528.617 | -591.833 |
| | <u>1.921.924</u> | <u>5.674.307</u> | <u>327.960</u> | <u>-63.216</u> | <u>2.447.012</u> | <u>10.307.987</u> |

Notes

All amounts in DKK.

| | <u>2021/22</u> | <u>2020/21</u> |
|---------------------------------|------------------|------------------|
| 1. Staff costs | | |
| Salaries and wages | 3.402.810 | 3.082.904 |
| Pension costs | 327.664 | 245.938 |
| Other costs for social security | 89.909 | 70.457 |
| | <u>3.820.383</u> | <u>3.399.299</u> |
| | | |
| Average number of employees | <u>9</u> | <u>9</u> |

| | | |
|--|------------------|------------------|
| 2. Other payables | | |
| Total other payables | <u>3.191.718</u> | <u>6.929.242</u> |
| | | |
| Share of liabilities due after 5 years | <u>0</u> | <u>6.929.242</u> |

| | | | | |
|--|---------------------------------------|--|---|---|
| 3. Liabilities other than provision | | | | |
| | <u>Total payables 30 Sep 2022</u> | <u>Current portion of long term payables</u> | <u>Long term payables 30 Sep 2022</u> | <u>Outstanding payables after 5 years</u> |
| Trade payables | 5.585.690 | 0 | 5.585.690 | 0 |
| Other payables | 3.191.718 | 0 | 3.191.718 | 0 |
| | <u>8.777.408</u> | <u>0</u> | <u>8.777.408</u> | <u>0</u> |

4. Charges and security

The company has guaranteed a mortgage loan in Nordea Kredit, principal nom. 1.200,000. The loan has been granted to an associated company and the outstanding debt on this loan is DKK 995.867 per. 30/9 2022.

Accounting policies

The annual report for StyleStore.com 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.

Changes in the accounting policies

The item “Staff costs” has been reclassified so that certain types of expenses previously recognised under “Staff costs” will, in the future, be recognised under the item “Other external charges”.

The change in classification has no effect on the net profit or loss for the year, nor on the statement of financial position, neither for the current financial year, nor the previous financial year. The comparative figures have been adjusted in accordance with the reclassification.

Except for the above, the accounting policies for the financial statements remain unchanged from last year.

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.

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, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

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. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Accounting policies

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

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, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external costs comprise costs 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.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from equity investment in subsidiarie

Dividend from equity investment in subsidiarie 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.

Accounting policies

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

Intangible assets

Development project and trademarks

Development costs and trademarks are measured at cost less accrued depreciation and writedown for impairment. Depreciation develop projects over 6 years and trademarks over 10 years.

Property, plant, and equipment

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

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

| | Useful life |
|--|-------------|
| Other fixtures and fittings, tools and equipment | 3-7 years |

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.

Investments

Investments in subsidiarie

Investments in subsidiarie is 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.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories 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.

Accounting policies

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal 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.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

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.

Jesper Rasmussen

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Jesper Rasmussen

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Jesper Rasmussen

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Pernille Mogensen

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Finn Mogensen

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Underskrevet med MitID



Line Kovsted

Navnet returneret af dansk NemID var:
Line Kovsted
Revisor
ID: 1255007821121
CVR-match med dansk NemID
Tidspunkt for underskrift: 29-03-2023 kl.: 16:00:26
Underskrevet med NemID

NEM ID