



## Norr11 International ApS

Oestergade 17  
1100 Copenhagen  
CVR No. 40596860

## Annual report 2023

The Annual General Meeting adopted the annual report on 19.06.2024

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**Erik Preben Holm**  
Chairman of the General Meeting

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# Entity details

## Entity

Norr11 International ApS  
Oestergade 17  
1100 Copenhagen

Business Registration No.: 40596860  
Registered office: Copenhagen  
Financial year: 01.01.2023 - 31.12.2023

## Board of Directors

Erik Preben Holm, chairman  
Jesper Sjølund  
Tommy Hyldahl  
Lars Melchior Kongsted Kjeldsen

## Executive Board

Ludvig Kjærulff  
Iben Wistrup Schwaner

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
City Tower, Værkmestergade 2  
8000 Aarhus C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Norr11 International ApS for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 19.06.2024

## Executive Board

**Ludvig Kjærulff**

**Iben Wistrup Schwaner**

## Board of Directors

**Erik Preben Holm**  
chairman

**Jesper Sjølund**

**Tommy Hyldahl**

**Lars Melchior Kongsted Kjeldsen**

# Independent auditor's extended review report

## To the shareholders of Norr11 International ApS

### Conclusion

We have performed an extended review of the financial statements of Norr11 International ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

### Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of Management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

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

Management is responsible for the management commentary.

Our conclusion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 19.06.2024

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

#### **Morten Gade Steinmetz**

State Authorised Public Accountant  
Identification No (MNE) mne34145

# Management commentary

## Primary activities

The Company's activity consists of design, development, marketing and sale of high-end designer furniture and lighting. The products are sold globally to both retail and contract markets in more than 50 countries as well as to end consumers through the Company's own online store.

## Development in activities and finances

### Overview

In 2023 NORR11 has successfully navigated a challenging market environment, achieving a commendable revenue growth of 7% and enhancing our profitability.

The furniture design industry faced significant headwinds, including economic uncertainty, supply chain disruptions, and fluctuating raw material costs. Despite this our strategic initiatives and operational efficiencies have enabled us to continue our growth trajectory and deliver improved financial performance. Our primary focus for the year was to solidify our foundational operations and executing a longer brand strategy journey, ensuring consistency and clear DNA throughout all facets. We believe that getting the basics right is essential for sustainable growth and long-term success. We have built a focused professional brand foundation to build on for future investments.

### Conclusion

2023 was a year of strategic execution for NORR11 and by focusing on getting the basics right, defining our WHY and staying true to our brand, we have positioned ourselves solidly for future success. Our product line will continue to develop organically, making focused and bold choices as part of our vision is being on the leading edge of design. As a brand with a global mindset, we continue with focus on investing in key markets, where North America already is one of the highest performing countries, not neglecting our partners in neither nearby countries nor key points worldwide.

### Outlook

Looking ahead, we remain optimistic about the market conditions for NORR11. While challenges persist, we are confident that our strategic priorities and robust operational framework will enable us to navigate these effectively. We will continue to focus on innovation, quality, and sustainability to drive future growth.

### Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Income statement for 2023

	Notes	2023 DKK	2022 DKK
<b>Gross profit/loss</b>		<b>15,917,948</b>	<b>13,125,994</b>
Staff costs	1	(12,642,659)	(10,707,754)
Depreciation, amortisation and impairment losses	2	(2,057,993)	(1,651,392)
<b>Operating profit/loss</b>		<b>1,217,296</b>	<b>766,848</b>
Other financial income	3	278,866	165,544
Financial expenses from group enterprises		(77,440)	(24,494)
Other financial expenses	4	(327,937)	(513,599)
<b>Profit/loss before tax</b>		<b>1,090,785</b>	<b>394,299</b>
Tax on profit/loss for the year	5	(288,000)	(105,000)
<b>Profit/loss for the year</b>		<b>802,785</b>	<b>289,299</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		802,785	289,299
<b>Proposed distribution of profit and loss</b>		<b>802,785</b>	<b>289,299</b>



# Balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Acquired intangible assets		833,101	66,192
Goodwill		8,092,896	9,441,712
<b>Intangible assets</b>	6	<b>8,925,997</b>	<b>9,507,904</b>
Other fixtures and fittings, tools and equipment		695,093	647,107
Leasehold improvements		447,199	332,493
<b>Property, plant and equipment</b>	7	<b>1,142,292</b>	<b>979,600</b>
Deposits		673,260	634,540
<b>Financial assets</b>		<b>673,260</b>	<b>634,540</b>
<b>Fixed assets</b>		<b>10,741,549</b>	<b>11,122,044</b>
Manufactured goods and goods for resale		7,032,757	11,064,567
Prepayments for goods		288,240	0
<b>Inventories</b>		<b>7,320,997</b>	<b>11,064,567</b>
Trade receivables		6,342,513	5,376,494
Receivables from group enterprises		254,011	1,432,904
Receivables from associates		90,322	163,629
Other receivables		88,769	194,754
Prepayments		552,599	57,000
<b>Receivables</b>		<b>7,328,214</b>	<b>7,224,781</b>
<b>Cash</b>		<b>8,086,638</b>	<b>1,836,644</b>
<b>Current assets</b>		<b>22,735,849</b>	<b>20,125,992</b>
<b>Assets</b>		<b>33,477,398</b>	<b>31,248,036</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023 DKK</b>	<b>2022 DKK</b>
Contributed capital		41,000	41,000
Retained earnings		17,630,010	16,827,225
<b>Equity</b>		<b>17,671,010</b>	<b>16,868,225</b>
Deferred tax		398,000	110,000
<b>Provisions</b>		<b>398,000</b>	<b>110,000</b>
Other payables		41,695	189,926
<b>Non-current liabilities other than provisions</b>	<b>8</b>	<b>41,695</b>	<b>189,926</b>
Bank loans		0	339,512
Prepayments received from customers		6,193,976	5,944,925
Trade payables		4,475,158	3,865,611
Payables to group enterprises		2,570,653	2,121,713
Other payables		2,126,906	1,808,124
<b>Current liabilities other than provisions</b>		<b>15,366,693</b>	<b>14,079,885</b>
<b>Liabilities other than provisions</b>		<b>15,408,388</b>	<b>14,269,811</b>
<b>Equity and liabilities</b>		<b>33,477,398</b>	<b>31,248,036</b>
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		
Assets charged and collateral	11		

# Statement of changes in equity for 2023

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	41,000	16,827,225	16,868,225
Profit/loss for the year	0	802,785	802,785
<b>Equity end of year</b>	<b>41,000</b>	<b>17,630,010</b>	<b>17,671,010</b>

# Notes

## 1 Staff costs

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	11,490,702	10,041,862
Pension costs	647,320	312,801
Other social security costs	155,916	113,551
Other staff costs	348,721	239,540
	<b>12,642,659</b>	<b>10,707,754</b>
Average number of full-time employees	21	15

## 2 Depreciation, amortisation and impairment losses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Amortisation of intangible assets	1,611,497	1,441,834
Depreciation of property, plant and equipment	446,496	209,558
	<b>2,057,993</b>	<b>1,651,392</b>

## 3 Other financial income

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Other interest income	92,608	0
Exchange rate adjustments	186,258	161,213
Other financial income	0	4,331
	<b>278,866</b>	<b>165,544</b>

## 4 Other financial expenses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Other interest expenses	59,615	101,195
Exchange rate adjustments	268,322	412,404
	<b>327,937</b>	<b>513,599</b>

## 5 Tax on profit/loss for the year

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Change in deferred tax	288,000	105,000
	<b>288,000</b>	<b>105,000</b>

## 6 Intangible assets

	Acquired intangible assets DKK	Goodwill DKK
Cost beginning of year	279,054	13,488,160
Additions	1,029,590	0
<b>Cost end of year</b>	<b>1,308,644</b>	<b>13,488,160</b>
Amortisation and impairment losses beginning of year	(212,862)	(4,046,448)
Amortisation for the year	(262,681)	(1,348,816)
<b>Amortisation and impairment losses end of year</b>	<b>(475,543)</b>	<b>(5,395,264)</b>
<b>Carrying amount end of year</b>	<b>833,101</b>	<b>8,092,896</b>

## 7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	792,196	454,425
Additions	407,874	243,470
Disposals	(72,265)	0
<b>Cost end of year</b>	<b>1,127,805</b>	<b>697,895</b>
Depreciation and impairment losses beginning of year	(145,089)	(121,933)
Depreciation for the year	(317,733)	(128,763)
Reversal regarding disposals	30,110	0
<b>Depreciation and impairment losses end of year</b>	<b>(432,712)</b>	<b>(250,696)</b>
<b>Carrying amount end of year</b>	<b>695,093</b>	<b>447,199</b>

## 8 Non-current liabilities other than provisions

	Due after more than 12 months 2023 DKK	Outstanding after 5 years 2023 DKK
Other payables	41,695	41,695
	<b>41,695</b>	<b>41,695</b>

## 9 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	428,340	389,622

The company has entered into rental agreement with a 6 month cancel notice. The total rent obligation during

the notice period is calculated at DKK 428k.

### **10 Contingent liabilities**

The Entity participates in a Danish joint taxation arrangement where Norr11 Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

### **11 Assets charged and collateral**

Trade receivables are pledged as security for a midfactoring company the carrying amount of the trade receivables provided as collateral amounts to DKK 6,343k.

As collateral for commitments with banks the Company has issued a corporate mortgage on inventories, intangible assets, property, plant and equipment for a combined security of DKK 3,000k for credit facilities. The carrying amount of assets provided as collateral amounts to DKK 17,888k.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of raw materials and consumables and external expenses.

### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

**Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

**Other financial income**

Other financial income comprises, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, and tax relief under the Danish Tax Prepayment Scheme etc.

**Financial expenses from group enterprises**

Financial expenses from group enterprises comprise interest expenses etc. from payables to group enterprises.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, and tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Balance sheet****Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For the Company's goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.



**Intellectual property rights etc.**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

**Property, plant and equipment**

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

**Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises bank deposits.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Other financial liabilities**

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

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.