

# California HoldCo A/S

c/o Verdane Advisors ApS, Rådhuspladsen 16  
1550 Copenhagen  
Denmark

CVR no. 40 74 83 26

## Annual report for the period 29 August – 31 December 2019

The annual report was presented and approved at  
the Company's annual general meeting on

3 March 2020

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chairman

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of California HoldCo A/S for the financial period 29 August – 31 December 2019.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial period 29 August – 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters, of the results for the period and of the Group's and the Parent Company's financial position.

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

Copenhagen, 3 March 2020

Executive Board:

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Teis Werring Bruun

Board of Directors:

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Amelie Caroline Micaela  
Söderberg  
Chairman

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Eva Astrid Cecilia Nytorp

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Martin Stephan Welna

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Teis Werring Bruun

## Independent auditor's report

### To the shareholders of California HoldCo A/S

#### Opinion

We have audited the consolidated financial statements and the parent company financial statements of California HoldCo A/S for the financial period 29 August – 31 December 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial period 29 August – 31 December 2019 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 consolidated financial statements and the parent company financial statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility for the consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent 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 consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these consolidated financial statements and parent company financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in

## Independent auditor's report

Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and parent company 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 Group's and the Parent 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 consolidated financial statements and the parent company 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 Group's and the Parent 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 consolidated financial statements and the parent company 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 Group and the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 the Management's review

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the parent company financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent company financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the consolidated financial statements or the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information



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## Independent auditor's report

required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the consolidated financial statements and the parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 3 March 2020

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Henrik Kyhnauv  
State Authorised  
Public Accountant  
mne40028

**California HoldCo A/S**  
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## Management's review

### Company details

California HoldCo A/S  
c/o Verdane Advisors ApS  
Rådhuspladsen 16  
1550 Copenhagen  
Denmark

CVR no.: 40 74 83 26  
Financial period: 29 August – 31 December

### Board of Directors

Amelie Caroline Micaela Söderberg, Chairman  
Eva Astrid Cecilia Nytorp  
Martin Stephan Welna  
Teis Werring Bruun

### Executive Board

Teis Werring Bruun

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfaergevej 28  
DK-2100 Copenhagen  
Denmark

## Management's review

### Financial highlights for the Group

DKK	2019
<b>Key figures</b>	
Gross profit/loss	-4,063,456
Ordinary operating profit/loss	-18,293,818
Profit/loss for the year	-19,687,793
<b>Total assets</b>	
Equity	295,111,705
Investment in property, plant and equipment	174,038,202
	2,596,901
<b>Ratios</b>	
Return on equity	-22.62%
Average number of full-time employees	32

Financial ratios are calculated in accordance with the guidelines "Recomendations and Ratios" issued by the Danish Society of Financial Analysts. The financial ratios have been calculated as follows:

$$\text{Return on equity} = \frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$$



## Management's review

### Operating review

#### The Group's principal activities

The purpose of the company is to invest in companies that aim to design, sell and market clothing and accessories as well as related business.

#### Development in activities and financial position

The Parent Company's income statement for 2019 shows a profit of DKK 77 thousand. Equity in the Parent Company's balance sheet at 31 December 2019 stood at DKK 177,736 thousand.

The Consolidated income statement for 2019 shows a loss of DKK 19,688 thousand. Equity in the Parent Company's balance sheet at 31 December 2019 stood at DKK 174,038 thousand.

Wholesale, which are the group's most important sales channel, is strengthened in 2019 by entering into collaboration with several internationally recognized key accounts.

In 2019, according to management's strategic development plan, the group invested significant resources in developing the wholesale market in US, including the establishment of subsidiary in US.

The investments have resulted in high revenue growth in the market. The US market has in 2019 developed into one of the group's most important markets.

Investments in and development of the company's webshop have also been in focus in 2019. In line with management's expectations, the sales channel has in 2019 again achieved considerable revenue growth and has grown from 6.8 % of total gross sales to 11.4%.

According to management's growth strategy, significant investments were also made in 2019 in design, product development, PR and marketing to continue the development of the brand Baum und Pferdgarten.

Management finds that the economic development, the result and the underlying parameters meets management's expectations and management characterize the result as satisfactory.

#### Significant uncertainties regarding continued operation

Management is of the opinion that there is no uncertainty about continued operations.

#### Outlook

For the financial year 2020, management expects growth in revenue based on further investments in the continued development of the brand, in addition there will be further focus on investments in and development of the US wholesale market as well as its own webshop.

#### Intellectual capital

It is essential for the groups continued growth to attract and retain competent employees, and therefore continuous investment is made in the development and retention of employees in all key functions.

## Management's review

### Operating review

#### Particular risks

##### *Operating risks*

Management does not consider that there are any special risks, other than what is customary in the industry and associated with general operations, which could affect the company's ability to meet expectations for the coming fiscal year.

##### *Financial risks*

As a result of its financial preparedness, the company is exposed to changes in interest rates.

Foreign exchange risks are assessed on an ongoing basis and the risk of exchange losses associated with purchases in foreign currencies is sought to be hedged using the foreign exchange forward transactions.

The risk of loss associated with customers' inability to pay is sought to be minimized through the use of credit insurance and, moreover, through an effective credit rating and follow-up of debtors.

#### Environmental matters

The group does not undertake production or the like on its own, so direct environmental impact in the form of energy and water consumption as well as various discharges is minimal. However, the company's suppliers are required to comply with the Group's supply manual, which includes requirements for environmentally sound production of goods. These requirements include both general environmental impact and work environment.

In 2019, the group announced the organization's continued CSR strategy, which contains specific goals for the period up to 2024, with the aim of making Baum Und Pferdgarten even more responsible. Accordingly, several initiatives were launched in 2019. Annual CSR reporting will be published for the first time in early 2021.

#### Branches

California HoldCo A/S owns and operates subsidiaries in Denmark the US as well as a branch in Norway. The units' function is to represent Baum Und Pferdgarten, create contact with wholesale customers and thus create the basis for the Group's sales in the respective markets and handle this.

#### Events after the balance sheet date

Management does not consider that circumstances have occurred from the balance sheet date until today, which distort the assessment of the annual report.

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Income statement

DKK	Note	Group	Parent Company
		2019	2019
<b>Gross profit/loss</b>		-4,063,456	-10,625
Staff costs	2	-4,918,152	0
Depreciation, amortisation and impairment losses		-9,312,210	0
<b>Operating profit/loss</b>		-18,293,818	-10,625
Financial income	3	4,033,768	108,816
Financial expenses	4	-4,991,379	0
<b>Profit before tax</b>		-19,251,429	98,191
Tax on profit/loss for the year		-436,364	-21,602
<b>Share of profit for the period</b>		-19,687,793	76,589

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Balance sheet

		Group	Parent Company
DKK	Note	31/12 2019	31/12 2019
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>	6		
Acquired patents		144,541	0
Goodwill		<u>237,410,124</u>	<u>0</u>
		237,554,665	0
<b>Property, plant and equipment</b>	7		
Fixtures and fittings, tools and equipment		<u>2,596,901</u>	<u>0</u>
<b>Investments</b>	8		
Equity investments in group entities		0	90,606,343
Deposits		<u>366,823</u>	<u>0</u>
		366,823	90,606,343
<b>Total fixed assets</b>		<u>240,518,389</u>	<u>90,606,343</u>
<b>Current assets</b>			
<b>Inventories</b>			
Finished goods and goods for resale		<u>20,536,801</u>	<u>0</u>
<b>Receivables</b>			
Trade receivables		16,932,217	0
Receivables from group entities		2,541,994	87,161,991
Other receivables		5,263,287	9
Deferred tax asset	9	<u>790,845</u>	<u>0</u>
		25,528,343	87,162,000
<b>Cash at bank and in hand</b>		<u>8,528,172</u>	<u>0</u>
<b>Total current assets</b>		<u>54,593,316</u>	<u>87,162,000</u>
<b>TOTAL ASSETS</b>		<u>295,111,705</u>	<u>177,768,343</u>

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Balance sheet

		Group	Parent Company
	Note	31/12 2019	31/12 2019
DKK			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital	10	2,001,000	2,001,000
Retained earnings		172,037,202	175,735,116
<b>Total equity</b>		<u>174,038,202</u>	<u>177,736,116</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Debt to credit institutions		79,200,000	0
<b>Current liabilities</b>			
Prepayments received from customers		920,602	0
Banks, current liabilities		10,800,000	0
Other credit institutions, current liabilities		5,501,231	0
Trade payables		12,448,374	10,625
Other payables		12,203,296	21,602
		<u>41,873,503</u>	<u>32,227</u>
<b>Total liabilities</b>		<u>121,073,503</u>	<u>32,227</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>295,111,705</u>	<u>177,768,343</u>
<b>Contractual obligations, contingencies, etc.</b>	11		
<b>Mortgages and collateral</b>	12		
<b>Related party disclosures</b>	13		

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Statement of changes in equity

DKK	Group			
	Contributed capital	Share premium	Retained earnings	Total
Equity at 29 August 2019	2,001,000	175,658,527	0	177,659,527
Net effect from merger and acquisition	0	0	16,066,468	16,066,468
Transferred over the distribution of loss	0	0	-19,687,793	-19,687,793
Transfer from share premium account	0	-175,658,527	175,658,527	0
<b>Equity at 31 December 2019</b>	<b>2,001,000</b>	<b>0</b>	<b>172,037,202</b>	<b>174,038,202</b>

  

DKK	Parent Company		
	Contributed capital	Retained earnings	Total
Equity at 29 August 2019	2,001,000	175,658,527	177,659,527
Transferred over the profit appropriation	0	76,589	76,589
<b>Equity at 31 December 2019</b>	<b>2,001,000</b>	<b>175,735,116</b>	<b>177,736,116</b>

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Cash flow statement

	Note	Group 2019
DKK		
Profit for the year		-26,929,553
Other adjustments of non-cash operating items		5,714,169
Depreciation, amortisation and impairment losses		9,312,210
Cash flows from operations before changes in working capital		-11,903,174
Changes in working capital		-22,670,618
Cash flows from ordinary activities		-34,573,792
<b>Cash flows from operating activities</b>		<b>-34,573,792</b>
Acquisition of intangible assets		-246,358,477
Acquisition of property, plant and equipment		-3,105,299
Additions in deposits		-366,823
<b>Cash flows from investing activities</b>		<b>-249,830,599</b>
Shareholders:		
Increase in payables to credit institutions		95,501,231
Increase of debt to group entities and associates		-2,541,994
Increase Equity contributions		199,973,326
<b>Cash flows from financing activities</b>		<b>292,932,563</b>
<b>Cash flows for the year</b>		<b>8,528,172</b>
<b>Cash and cash equivalents at year end</b>		<b>8,528,172</b>

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Notes

#### 1 Accounting policies

The annual report of California HoldCo A/S for 2019 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The fiscal year 2019, is the companys first fiscal year and thus no comparative figures have been disclosed.

#### Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

#### Income statement

##### Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

##### Revenue

Income from the sale of goods, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms © 2010.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

##### Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

##### Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

##### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security



## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Notes

#### 1 Accounting policies (continued)

costs, etc., to the Company's employees, excluding reimbursements from public authorities.

#### Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

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

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Notes

#### 1 Accounting policies (continued)

### Balance sheet

#### Intangible assets

##### *Patents, licences and trademarks*

Patents are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining life of the patent, and licences are amortised over the contract period, however, not exceeding 7 years.

Rights	7 years
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##### *Goodwill*

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the individual business areas. The maximum amortisation period is between 5 and 25 years and longest for strategically acquired entities with a strong market position and long-term earnings profile.

#### Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Depreciation is recognised in the income statement as production costs, distribution costs and

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Notes

#### 1 Accounting policies (continued)

administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

#### Equity investments in group entities

Equity investments in group entities are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised as provisions.

Net revaluation of equity investments in group entities is tied as a net revaluation reserve under equity according to the equity method to the extent that the carrying amount exceeds cost. Dividends from group entities expected to be adopted in the group entities prior to the approval of the Company's annual report, are not tied up in the revaluation reserve.

#### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

#### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

#### Prepayments and deferred income

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash holdings and bank deposits

##### Equity

###### *Dividends*

The expected dividends payment for the year is disclosed as a separate item under equity.

##### Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Notes

#### 2 Staff costs

	Group	Parent Company
DKK	2019	2019
Wages and salaries	4,479,736	0
Pensions	208,891	0
Other social security costs	103,914	0
Other staff costs	125,611	0
	<u>4,918,152</u>	<u>0</u>
	<u>32</u>	<u>0</u>

Staff costs of the Group and the Parent Company include remuneration of the Parent Company's Executive Board of DKK 116 thousand.

#### 3 Financial income

	Group	Parent Company
DKK	2019	2019
Interest income from group entities	155,619	108,816
Other financial income	15,063	0
Exchange adjustments	3,863,086	0
	<u>4,033,768</u>	<u>108,816</u>

#### 4 Financial expenses

	Group	Parent Company
DKK	2019	2019
Interest expense to group entities	109,353	0
Other financial costs	931,385	0
Exchange adjustments costs	3,950,641	0
	<u>4,991,379</u>	<u>0</u>

#### 5 Proposed profit appropriation

Retained earnings	-19,687,793	76,589
	<u>-19,687,793</u>	<u>76,589</u>

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Notes

#### 6 Intangible assets

DKK	Group		
	Acquired patents	Goodwill	Total
Cost at 29 August 2019	0	0	0
Additions for the year	155,386	246,203,092	246,358,478
Cost at 31 December 2019	155,386	246,203,092	246,358,478
Amortisation for the year	-10,845	-8,792,968	-8,803,813
Amortisation and impairment losses at 31 December 2019	-10,845	-8,792,968	-8,803,813
<b>Carrying amount at 31 December 2019</b>	<b>144,541</b>	<b>237,410,124</b>	<b>237,554,665</b>

#### 7 Property, plant and equipment

DKK	Group
	Fixtures and fittings, tools and equipment
Cost at 29 August 2019	0
Additions for the year	3,105,298
Cost at 31 December 2019	3,105,298
Depreciation for the year	-508,397
Depreciation and impairment losses at 31 December 2019	-508,397
<b>Carrying amount at 31 December 2019</b>	<b>2,596,901</b>

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Notes

#### 8 Investments

	Parent Equity investments in group entities
DKK	
Cost at 29 August 2019	0
Additions for the year	<u>90,606,343</u>
Cost at 31 December 2019	<u>90,606,343</u>
<b>Carrying amount at 31 December 2019</b>	<b><u><u>90,606,343</u></u></b>

Name	Registered office	Voting rights and ownership interest
California BidCo A/S	Copenhagen	100%

#### 9 Deferred tax asset

	Group	Parent Company
DKK	2019	2019
Adjustment of deferred tax for the year	<u>1,723,334</u>	<u>0</u>
	<u><u>1,723,334</u></u>	<u><u>0</u></u>

#### 10 Equity

The contributed capital consists of: 2,001,000 shares of nom. DKK 1.00 each.

All shares rank equally.

## Consolidated financial statements and parent company financial statements 29 August – 31 December

### Notes

#### 11 Contractual obligations, contingencies, etc.

##### Contingent liabilities

The Company participates in a Danish joint taxation arrangement with the subsidiaries California BidCo A/S and Baum Und Pferdgarten A/S. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for obligations, if any, relating to withholding tax on income taxes, interests, royalties and dividend for the jointly taxed companies.

	Group	Parent Company
	2019	2019
DKK		
<b>Operating lease obligations</b>		
Lease obligations according to rent- and leasing-contracts with third parties till expiry	902,945	0

#### 12 Mortgages and collateral

The company has provided guarantees for landlords of leases, etc. through bank liaison. for a total of DKK 0.7 million.

To secure bank debt, the company has issued a corporate mortgage of DKK 12 million.

The carrying amount of pledged assets is DKK 32.9 million.

#### 13 Related party disclosures

##### Control

TWB Holding A/S, Verdane Capital X (D) AB (Sweden), Verdane X (E) AB (Sweden) and Baum Holding ApS holds the shares of the company and are thus controlling the company.

##### Related party transactions

	Group	Parent Company
	2019	2019
DKK		
Sales of goods to group companies	8,265	0
Sales of services to group companies	673	0



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