
California BidCo A/S

C/O Baum und Pferdgarten A/S, Amaliegade 15, DK-1256
København K

Annual Report for 2023

CVR No. 40 74 83 85

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 4/3 2024

Sarah Høj
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of California BidCo A/S for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København K, 4 March 2024

Executive Board

Teis Werring Bruun
CEO

Board of Directors

Frank Troelsen
Chairman

Teis Werring Bruun

Anni Emilia Karoliina Tuulos

Independent Auditor's report

To the shareholder of California BidCo A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of California BidCo A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of 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.

Independent Auditor's report

- 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.

Hellerup, 4 March 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Henrik Kyhnav

State Authorised Public Accountant

mne40028

Pawel Christof Michalak

State Authorised Public Accountant

mne48479

Company information

The Company	California BidCo A/S C/O Baum und Pferdgarten A/S Amaliegade 15 DK-1256 København K CVR No: 40 74 83 85 Financial period: 1 January - 31 December Incorporated: 30 August 2019 Municipality of reg. office: København K
Board of Directors	Frank Troelsen, chairman Teis Werring Bruun Anni Emilia Karoliina Tuulos
Executive Board	Teis Werring Bruun
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross loss		-12,502	-11,255
Income from investments in subsidiaries		45,000,000	17,900,000
Financial expenses	2	-4,797,282	-3,441,615
Profit/loss before tax		40,190,216	14,447,130
Tax on profit/loss for the year	3	908,910	516,384
Net profit/loss for the year		41,099,126	14,963,514
 Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Retained earnings		41,099,126	14,963,514
		41,099,126	14,963,514

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Investments in subsidiaries		261,963,024	261,963,024
Fixed asset investments		261,963,024	261,963,024
Fixed assets		261,963,024	261,963,024
Corporation tax receivable from group enterprises		935,787	0
Receivables		935,787	0
Cash at bank and in hand		191	534
Current assets		935,978	534
Assets		262,899,002	261,963,558

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		600,000	600,000
Share premium account		90,006,345	90,006,345
Retained earnings		64,721,234	23,622,108
Equity		155,327,579	114,228,453
Credit institutions		0	5,700,000
Long-term debt	4	0	5,700,000
Credit institutions	4	5,824,184	11,783,431
Payables to group enterprises		101,734,738	130,240,550
Other payables		12,501	11,124
Short-term debt		107,571,423	142,035,105
Debt		107,571,423	147,735,105
Liabilities and equity		262,899,002	261,963,558
Key activities	1		
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Statement of changes in equity

	<u>Share capital</u>	<u>Share premium account</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK	DKK
Equity at 1 January	600,000	90,006,345	23,622,108	114,228,453
Net profit/loss for the year	0	0	41,099,126	41,099,126
Equity at 31 December	600,000	90,006,345	64,721,234	155,327,579

Notes to the Financial Statements

1. Key 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

2. Financial expenses

	2023	2022
	DKK	DKK
Interest paid to group enterprises	4,162,555	2,414,105
Other financial expenses	634,727	1,027,510
	<u>4,797,282</u>	<u>3,441,615</u>

3. Income tax expense

	2023	2022
	DKK	DKK
Deferred tax for the year	-935,787	-489,507
Adjustment of tax concerning previous years	26,877	-26,877
	<u>-908,910</u>	<u>-516,384</u>

4. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Credit institutions

After 5 years	0	0
Between 1 and 5 years	0	5,700,000
Long-term part	0	5,700,000
Other short-term debt to credit institutions	5,824,184	11,783,431
	<u>5,824,184</u>	<u>17,483,431</u>

Notes to the Financial Statements

5. Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with bankers:

Pledge in shares in Baum und Pferdgarten A/S with a nominal value of DKK 500,000.

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Baum und Pferdgarten A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

6. Accounting policies

The Annual Report of California BidCo A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2023 of California Holdco A/S, the Company has not prepared consolidated financial statements.

Income statement

Other external expenses

Other external expenses comprise administration costs, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss comprises of other external expenses.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Notes to the Financial Statements

Other debts are measured at amortised cost, substantially corresponding to nominal value.