

Jacob Jensen Design A/S

Registered office address: Hejlskovvej 104, Hjelkskov, 7840 Højslev

CVR number 26 38 70 00

Annual Report 2024

Financial year: 1 January – 31 December 2024

Approved at the company's annual general meeting on 30 May 2025

Søren Holst
Chair of the meeting

Contents

Company Information	1
Management's Review	2
Management's Statement	3
Independent Auditor's Report	4
Accounting Policies	7
Income Statement	10
Balance Sheet	11
Equity Statement	13
Notes to the Financial Statements	14

Company Information

The Company	Jacob Jensen Design A/S Hejlskovvej 104 Hejlskov 7840 Højslev Registered Office Municipality: Skive
Board of Directors	Søren Holst Kenneth Spencer Chang Lars Kolind
Executive Board	Martin Hartmann Jacobsen
Auditors	Aaen & Co. statsautoriserede revisorer p/s Kongevejen 3 3000 Helsingør
Date of Incorporation	1 July 2001
Financial Year	1 January - 31 December

Management's Review

Business review

The company, JACOB JENSEN DESIGN A/S operates a design studio in Hejlskov Denmark. The company collaborates closely with the sister company JACOB JENSEN A/S in Copenhagen Denmark.

Towards the end of 2023 the board decided to terminate its organization in Thailand, JACOB JENSEN DESIGN Bangkok, as the business conditions were extremely difficult, and instead focus on the European market.

At the same time, the board of directors of Jacob Jensen Holding A/S decided to terminate the sister company JACOB JENSEN DESIGN SHANGHAI Ltd also from a cost perspective.

Focus going forward will be more on the European markets. However, customer relationships created over the years in the Asian markets will still be relevant and form part of Jacob Jensen Design A/S' customer base through partnerships served by the design studio in Denmark.

The company is now beginning to see positive results of these decisions and the strategic initiatives taken in connection with this.

The decision to terminate its organization in Thailand has resulted in a significantly lower cost run-rate directly in Jacob Jensen Design A/S which we have gradually experienced in the second half of 2024 and which will continue with full effect into 2025.

Financial review

The income statement for 2024 shows a loss of DKK 5,800 thousand against a loss of DKK 5,938 thousand last year, and the balance sheet at 31 December 2024 shows equity of DKK 2,039 thousand.

The 2024 result continues to be negatively impacted by the closure of its organization in Thailand. However, the strategic initiatives taken in this regard are expected to have a significantly positive effect on the 2025 result.

Jacob Jensen Holding A/S, who is the sole owner of the Company, and the ultimate shareholder, Kolind A/S, has continued to support the Company and the Group financially, and has pledged to do so also in the 2025 financial year. The equity in Jacob Jensen Design A/S is in 2024 positively affected by a group contribution from Jacob Jensen Holding A/S of DKK 6,306 thousand.

The Board expects that future operations can be carried out within the available credit lines and the received letter of support from Kolind A/S. The Board recommends that the loss for the year be added to the accumulated losses.

Management's Statement

The Board of Directors and the Executive Board have today considered and approved the Annual Report for the financial year 1 January – 31 December 2024 for Jacob Jensen Design A/S.

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

In our opinion, the Financial Statements give a true and fair view of the Company's assets, liabilities, and financial position as of 31 December 2024, as well as of the results of the Company's operations for the financial year 1 January – 31 December 2024.

In our opinion, the Management's Review includes a fair review of the matters covered by the report.

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

Højslev, den 30 May 2025

Executive Board

Martin Hartmann Jacobsen

Board of Directors

Søren Holst
Chairman

Kenneth Spencer Chang

Lars Kolind

Independent Auditor's Report

To the shareholders of Jacob Jensen Design A/S:

Opinion

We have audited the Financial Statements of Jacob Jensen Design A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Company. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements 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 of accounting information taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

Independent Auditor's Report

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

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

Helsingør, 30 May 2025

Aaen & Co. statsautoriserede revisorer p/s

Kongevejen 3, 3000 Helsingør – CVR-nummer 33 24 17 63

Jesper Fenger Smidt

State Authorised Public Accountant

mne31476

Accounting Policies

Basis of Preparation

The Annual Report of Jacob Jensen Design A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act for reporting class B entities. In addition, Management has elected to apply certain rules from reporting class C.

The applied accounting policies are unchanged from the previous year.

Reporting currency

The financial statements are presented in Danish kroner.

General Recognition and Measurement

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, they are measured as described for each individual item below.

Certain financial assets and liabilities are measured at amortised cost, which involves recognising a constant effective interest rate over the term. Amortised cost is calculated as the original cost less any repayments and adjusted for the accumulated amortisation of the difference between cost and nominal amount.

Recognition and measurement take into account foreseeable losses and risks arising before the presentation of the annual report that confirm or invalidate conditions existing at the balance sheet date.

Foreign Currency Translation

Transactions in foreign currencies are translated at the exchange rate at the date of the transaction. Exchange differences arising between the transaction date rate and the rate at the date of payment are recognised in the income statement as financial items. If foreign currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables, and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are measured at the exchange rate at the balance sheet date. The difference between the exchange rate at the balance sheet date and the rate at the date of the transaction is recognised in the income statement under financial income and expenses.

Fixed assets purchased in foreign currencies are measured at the exchange rate at the transaction date.

Accounting Policies

Income Statement

Gross Profit

Gross profit comprises the year's revenue less cost of goods sold and other external expenses.

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Income from the rendering of services, which comprise designing products, is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (production method).

Licence and royalty income is recognised over the term of the agreement in accordance with the contents of the agreement.

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

Cost of goods sold includes expenses incurred to generate the year's revenue.

Other external expenses include costs related to distribution, sales, marketing, administration, premises, bad debts, leasing, and similar items.

Staff Costs

Staff costs include wages and salaries, including holiday pay and pensions, as well as other social security expenses related to the Company's employees.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial items include interest income and expenses, foreign currency transactions, and refunds under the on-account tax scheme, etc.

Tax on Profit for the Year

The tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement to the extent that it relates to the profit for the year, and directly in equity to the extent that it relates to entries recognised directly in equity.

The Company is jointly taxed with its parent company. Kolind A/S acts as the administrative company. The tax effect of the joint taxation with the parent company is allocated between the profit-making and loss-making companies in proportion to their taxable income (full allocation with reimbursement for tax-deductible losses).

Accounting Policies

Balance Sheet

Tangible Fixed Assets

Leasehold improvements and other fixtures, fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The basis for depreciation is the cost less the expected residual value at the end of the useful life.

Cost includes the purchase price and any costs directly attributable to bringing the asset to the condition necessary for it to be used as intended.

Depreciation is calculated on a straight-line basis over the expected useful lives and estimated residual values of the assets as follows:

Leasehold improvements	5 years	Expected Residual Value	0%
Other fixtures, fittings, tools, equipment	3 – 5 years	Expected Residual Value	0%

Expected useful lives and residual values are reviewed annually.

Gains or losses on the disposal of equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the time of sale. Gains and losses are recognised in the income statement under other operating income or other operating expenses, respectively.

Financial Fixed Assets

Deposits are measured at amortised cost.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables. Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under assets include expenses incurred that relate to subsequent financial years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Accounting Policies

Dividends

Dividends expected to be distributed for the year are presented as a separate item under equity. Proposed dividends are recognised as a liability at the date of approval by the General Meeting.

Current and Deferred Tax Liabilities

The Company is jointly taxed with its parent company, Kolind A/S. Corporate tax is recognised in the balance sheet under "Corporate tax payable" or "Corporate tax receivable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. In cases where the tax value can be determined under alternative taxation rules (e.g. for shares), deferred tax is measured based on the intended use of the asset or settlement of the liability.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the value at which they are expected to be realised, either through offset against deferred tax liabilities or through future taxable income within the same tax group. Any net deferred tax assets are measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates that are enacted at the balance sheet date and are expected to apply when the deferred tax is realised as current tax. Changes in deferred tax resulting from changes in tax rates are recognised in the income statement. For the current year, a tax rate of 22% has been applied.

Prepayments received from customers

Prepayments received from customers recognised as a liability, comprise payments received concerning income in subsequent financial reporting years.

Liabilities.

Other liabilities are measured at amortised cost, which typically corresponds to the nominal value.

Income Statement 1 January - 31 December

Note	2024	2023
Gross profit	-663.628	695.763
1 Staff costs	4.996.986	6.147.168
Depreciation and amortisation	59.338	37.197
Profit from ordinary operating activities	-5.719.952	-5.488.602
2 Financial income	21.903	42.493
3 Financial expenses	214.961	507.662
Profit from ordinary activities before tax	-5.913.010	-5.953.771
4 Tax for the year	-113.020	-15.963
Profit	-5.799.990	-5.937.808
Proposed distribution of results:		
Proposed dividend	0	0
Retained earnings	-5.799.990	-5.937.808
Profit for the year distributed	-5.799.990	-5.937.808

Balance sheet 31 December

Assets

Note	2024	2023
5 Leasehold improvements	124.752	0
6 Fixtures, fittings, tools and equipment	318.686	12.320
Tangible fixed assets	443.438	12.320
Deposits, investments	0	4.586
Investments	0	4.586
Total fixed assets	443.438	16.906
Trade receivables	2.470.455	2.683.712
Receivables from group enterprises	573.923	353.533
Tax receivables	113.020	0
Other receivables	2.450	86.221
Prepayments	27.946	58.404
Receivables	3.187.794	3.181.870
Cash	276.784	934.116
Total non-fixed assets	3.464.578	4.115.986
Total assets	3.908.016	4.132.892

Balance sheet 31 December

Passiver

Note	2024	2023
Share capital	1.780.000	1.780.000
Retained earnings	259.097	-244.760
Proposed dividend	0	0
Equity	2.039.097	1.535.240
7 Other long-term liabilities	238.083	226.823
Long-term liabilities	238.083	226.823
Trade payables	646.159	869.268
Payables to group entities	0	195.546
Other payables	663.155	885.441
Prepayments received from customers	321.522	420.574
Short-term debt	1.630.836	2.370.829
Total debt	1.868.919	2.597.652
Total liabilities	3.908.016	4.132.892
8 Collaterals		
9 Contractual obligation		
10 Contingent liabilities		

Equity Statement

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Proposed dividend</u>	<u>Total</u>
Equity 1 January 2023	1.780.000	-8.011.212	0	-6.231.212
Exchange adjustment	0	-162.109	0	-162.109
Contribution from group	0	13.866.369	0	13.866.369
Dividends paid	0	0	0	0
Profit of the year	0	-5.937.808	0	-5.937.808
Equity 31 December 2023	<u>1.780.000</u>	<u>-244.760</u>	<u>0</u>	<u>1.535.240</u>
Equity 1 January 2024	1.780.000	-244.760	0	1.535.240
Exchange adjustment	0	-2.379	0	-2.379
Contribution from group	0	6.306.226	0	6.306.226
Dividends paid	0	0	0	0
Profit of the year	0	-5.799.990	0	-5.799.990
Equity 31 December 2024	<u>1.780.000</u>	<u>259.097</u>	<u>0</u>	<u>2.039.097</u>

Notes to the annual accounts

	<u>2024</u>	<u>2023</u>
1 Staff costs		
Wages/salaries	4.624.546	5.749.092
Pensions	239.482	245.144
Other staff costs	132.958	152.932
	<u>4.996.986</u>	<u>6.147.168</u>
Average number of employees	<u>6</u>	<u>12</u>
2 Financial income		
Other financial income	21.903	42.493
	<u>21.903</u>	<u>42.493</u>
3 Financial expences		
Interest expences, group entities	135.212	464.454
Other financial expenses	79.749	43.208
	<u>214.961</u>	<u>507.662</u>
4 Tax for the year		
Tax on the taxable income of the year	-113.020	0
Prior years tax	0	-15.963
	<u>-113.020</u>	<u>-15.963</u>

Notes to the annual accounts

	<u>2024</u>	<u>2023</u>
5 Leasehold improvements		
Cost at 1 January	0	0
Additions in the year	138.613	0
Desposals in the year	0	0
Cost at 31 December	<u>138.613</u>	<u>0</u>
Impairment losses and depreciation at 1 January	0	0
Amortisation/depreciation in the year	13.861	0
Reversal of amortisation/depreciation and impariment of disposals	0	0
Impairment losses and depreciation at 31 December	<u>13.861</u>	<u>0</u>
Carrying amout at 31 December	<u>124.752</u>	<u>0</u>
6 Fixtures, fittings, tools and equipment		
Cost at 1 January	1.096.989	1.066.905
Additions in the year	360.274	30.084
Desposals in the year	-596.980	0
Cost at 31 December	<u>860.283</u>	<u>1.096.989</u>
Impairment losses and depreciation at 1 January	1.084.669	997.163
Amortisation/depreciation in the year	45.477	36.971
Impairment losses in the year	0	50.535
Reversal of amortisation/depreciation and impariment of disposals	-588.549	0
Impairment losses and depreciation at 31 December	<u>541.597</u>	<u>1.084.669</u>
Carrying amout at 31 December	<u>318.686</u>	<u>12.320</u>

Notes to the annual accounts

7 Other long-term liabilities

The company's non-current liabilities fall due after one year and within five years.

8 Collaterals

As collateral for the Company's debt to banks and other lenders, the Company has placed floating charges, worth a total of DKK 6,000 thousand. The total carrying amount at 31 December 2024 of the assets placed as collateral is DKK 2,914 thousand.

9 Contractual obligation

The Company has liabilities under operating leases for cars, with remaining contract terms of 4 months, totalling DKK 38 thousand at 31 December 2024.

10 Contingent liabilities

The Company is jointly taxed with its parent company, Kolind A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for the payment of income taxes.