
Unique Furniture af 14. juni 2007 *A/S*

Petersbjerggård 10, 1. th., DK-6000 Kolding

Annual Report for
1 July 2023 - 30 June 2024

CVR No. 30 61 24 50

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 18/11 2024

Carsten Bundgaard
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company information	5
Financial Highlights	6
Management's Review	7
Financial Statements	
Income Statement 1 July - 30 June	9
Balance sheet 30 June	10
Statement of changes in equity	12
Cash Flow Statement 1 July - 30 June	13
Notes to the Financial Statements	14

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Unique Furniture af 14. juni 2007 A/S for the financial year 1 July 2023 - 30 June 2024.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 30 June 2024 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023/24.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Kolding, 18 November 2024

Executive Board

Flemming Lindtofte

Board of Directors

Henrik Theilbjørn

Flemming Lindtofte

Poul Kristiansen

Søren Iversen

Independent Auditor's report

To the shareholder of Unique Furniture af 14. juni 2007 A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 30 June 2024 and of the results of the Group's and the Parent Company's operations as well as of the consolidated cash flows for the financial year 1 July 2023 - 30 June 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Unique Furniture af 14. juni 2007 A/S for the financial year 1 July 2023 - 30 June 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("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 Group 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.

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, in our view, 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 in Management's Review.

Management's responsibilities for the 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 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 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 Financial Statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

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 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 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 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 Parent 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.
- 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.

Independent Auditor's report

Trekantområdet, 18 November 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jan Bunk Harbo Larsen

State Authorised Public Accountant

mne30224

Company information

The Company	Unique Furniture af 14. juni 2007 A/S Petersbjerggård 10, 1. th. DK-6000 Kolding CVR No: 30 61 24 50 Financial period: 1 July 2023 - 30 June 2024 Municipality of reg. office: Kolding
Board of Directors	Henrik Theilbjørn Flemming Lindtofte Poul Kristiansen Søren Iversen
Executive Board	Flemming Lindtofte
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2023/24	2022/23	2021/22	2020/21	2019/20
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit	112,007	100,301	60,759	81,166	49,590
Profit/loss of primary operations	51,611	46,828	20,380	44,613	19,171
Profit/loss of financial income and expenses	-25	-4,087	8,276	-9,755	892
Net profit/loss for the year	40,268	33,002	20,289	27,818	15,184
Balance sheet					
Balance sheet total	192,833	135,426	167,557	116,589	77,958
Equity	107,997	87,637	67,860	54,320	26,635
Cash flows					
Cash flows from:					
- operating activities	9,946	52,897	-14,837	4,931	37,652
- investing activities	-4,846	-2,001	-3,076	-3,220	-747
- financing activities	-3,306	-50,929	16,861	-5,029	-31,775
Change in cash and cash equivalents for the year	1,794	-33	-1,052	-3,318	5,130
Number of employees	139	116	113	96	91
Ratios					
Return on assets	26.8%	34.6%	12.2%	38.3%	24.6%
Solvency ratio	56.0%	64.7%	40.5%	46.6%	34.2%
Return on equity	41.2%	42.4%	33.2%	68.7%	79.3%

Management's review

Key activities

The Company's principal activity consists of the development, sale and distribution of furniture. The Company sells its assortment worldwide. Western European markets are being served centrally from Denmark or through locally employed sales representatives. The North and South American market is being served from the US head office in New Jersey or through locally employed sales representatives. APEC is being served by the head office in Vietnam. Over the years the Company has developed a significant turnover via strategically located warehouses. The Company is now distributing products through warehouses in Denmark, USA, China and Vietnam. The group head office is in Kolding, Denmark.

Development and sourcing of furniture are made through the Company's own operated setup in China, Vietnam, Malaysia and Eastern Europe.

Development in the year

The income statement of the Group for 2023/24 shows a profit of TDKK 40,268, and at 30 June 2024 the balance sheet of the Group shows a positive equity of TDKK 107,997.

The fiscal year 2023/24 is the best result for the Group so far and it was realized based on a wide palette of business initiatives that more than compensated for challenging external market factors. Once again, we have invested heavily in our organizational development. We have upgraded product development, marketing and E-com, increased sales force in the market, increased internal sales service and expanded our senior management level. Compliance and quality work are two areas that constantly are under development, which is why we also here have made significant investments. Due to the very difficult market situation in retail, we have participated in more furniture shows around the world than in the earlier years. As a derivative effect of this, we have again onboarded several new large customers. Moreover, we have invested in our showroom facilities as well as carried out investments in our digitalization journey. Finally, the Company has also laid out a new 3-year strategy to be implemented during the coming years.

Thus, compared to our expectations, and in relation to the difficult market conditions, Management is very satisfied with the result for the year.

The past year and follow-up on development expectations from last year

The result of 2023/24 is better than originally expected and better than expectations from the financial statements of 2022/23. As described above, we have invested significant amounts in the market. These activities have led to increased sales faster than expected. New markets have been opened and new sales have been above expectations. Some of the new product ranges have been obtained in several markets and have giving additional sale.

Market risks

The Company operates in a competitive market in which sales opportunities are sensitive to economic developments. Therefore, cyclical fluctuations will affect the Company's sales and earnings.

Also, market developments in the USA are being monitored closely as the Company has invested heavily in the US market.

The overall situation for trading furniture internationally has been and still is very volatile. There are many parameters that have an impact on the situation and changes in a very short time. The company is very aware of this situation and follows it closely.

Foreign exchange risks

Activities abroad mean that results, cash flows and equity are affected by exchange rate movements in a number of currencies. It is the Company's policy to try to cover these foreign exchange risks, primarily by trading in the same currency and to some extent by entering into forward exchange transactions to hedge future transactions in foreign currencies.

Management's review

Targets and expectations for the year ahead

We have seen a decrease in furniture spend and more fierce competition among market players. External factors such as hesitating end consumers and increasing higher transport rates are other barriers which limit furniture consumption. The outlook for the fiscal year 24/25 is blurred and we see no quick return in the market. But with the investment we have made in the organization, we are positive and expect a group turnover higher than this year. However – due to the increased investments, the final group result is expected to be approximately 5% under this year result.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 30 June 2024 of the Group and the results of the activities and cash flows of the Group for the financial year for 2023/24 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 July 2023 - 30 June 2024

	Note	Group		Parent company	
		2023/24	2022/23	2023/24	2022/23
		TDKK	TDKK	TDKK	TDKK
Gross profit		112,007	100,301	91,739	80,303
Staff expenses	1	-57,862	-51,310	-39,784	-31,814
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-2,534	-2,163	-2,039	-1,461
Profit/loss before financial income and expenses		51,611	46,828	49,916	47,028
Income from investments in subsidiaries		0	0	862	-898
Financial income	2	446	27	1,121	895
Financial expenses	3	-471	-4,114	-455	-4,370
Profit/loss before tax		51,586	42,741	51,444	42,655
Tax on profit/loss for the year	4	-11,318	-9,739	-11,176	-9,653
Net profit/loss for the year	5	40,268	33,002	40,268	33,002

Balance sheet 30 June 2024

Assets

	Note	Group		Parent company	
		2023/24	2022/23	2023/24	2022/23
		TDKK	TDKK	TDKK	TDKK
Land and buildings		186	0	186	0
Other fixtures and fittings, tools and equipment		5,632	3,049	4,693	2,643
Leasehold improvements		149	1,007	0	107
Property, plant and equipment	6	5,967	4,056	4,879	2,750
Investments in subsidiaries	7	0	0	6,726	5,771
Deposits	8	1,448	1,357	1,384	1,005
Fixed asset investments		1,448	1,357	8,110	6,776
Fixed assets		7,415	5,413	12,989	9,526
Finished goods and goods for resale		88,124	68,582	67,339	48,707
Inventories		88,124	68,582	67,339	48,707
Trade receivables		90,425	57,501	72,451	46,522
Receivables from group enterprises		0	0	34,930	27,205
Other receivables		489	30	479	30
Prepayments	9	2,924	2,238	2,099	1,989
Receivables		93,838	59,769	109,959	75,746
Cash at bank and in hand		3,456	1,662	943	473
Current assets		185,418	130,013	178,241	124,926
Assets		192,833	135,426	191,230	134,452

Balance sheet 30 June 2024

Liabilities and equity

	Note	Group		Parent company	
		2023/24	2022/23	2023/24	2022/23
		TDKK	TDKK	TDKK	TDKK
Share capital	10	2,000	2,000	2,000	2,000
Reserve for exchange rate conversion		192	100	192	100
Retained earnings		93,805	65,537	93,805	65,537
Proposed dividend for the year		12,000	20,000	12,000	20,000
Equity		107,997	87,637	107,997	87,637
Provision for deferred tax	11	265	327	265	327
Provisions		265	327	265	327
Credit institutions		0	2,000	0	2,000
Long-term debt	12	0	2,000	0	2,000
Credit institutions	12	20,907	4,242	20,907	3,628
Lease obligations		2,029	0	2,029	0
Prepayments received from customers		965	578	965	578
Trade payables		38,384	15,695	36,604	14,183
Payables to group enterprises		0	0	4,250	6,729
Corporation tax		5,136	8,481	5,135	8,469
Other payables		17,150	16,466	13,078	10,901
Short-term debt		84,571	45,462	82,968	44,488
Debt		84,571	47,462	82,968	46,488
Liabilities and equity		192,833	135,426	191,230	134,452
Contingent assets, liabilities and other financial obligations	15				
Related parties	16				
Accounting Policies	17				

Statement of changes in equity

Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 July	2,000	100	65,537	20,000	87,637
Ordinary dividend paid	0	0	0	-20,000	-20,000
Exchange adjustments relating to foreign entities	0	92	0	0	92
Net profit/loss for the year	0	0	28,268	12,000	40,268
Equity at 30 June	2,000	192	93,805	12,000	107,997

Parent company

	Share capital	Reserve for exchange rate conversion	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 July	2,000	100	65,537	20,000	87,637
Ordinary dividend paid	0	0	0	-20,000	-20,000
Exchange adjustments relating to foreign entities	0	92	0	0	92
Net profit/loss for the year	0	0	28,268	12,000	40,268
Equity at 30 June	2,000	192	93,805	12,000	107,997

Cash flow statement 1 July 2023 - 30 June 2024

	Note	Group	
		2023/24	2022/23
		TDKK	TDKK
Result of the year		40,268	33,002
Adjustments	13	14,279	15,296
Change in working capital	14	-29,851	17,475
Cash flow from operations before financial items		24,696	65,773
Financial income		446	27
Financial expenses		-471	-4,114
Cash flows from ordinary activities		24,671	61,686
Corporation tax paid		-14,725	-8,789
Cash flows from operating activities		9,946	52,897
Purchase of intangible assets		0	-195
Purchase of property, plant and equipment		-4,755	-1,860
Fixed asset investments made etc		-91	-42
Sale of property, plant and equipment		0	96
Cash flows from investing activities		-4,846	-2,001
Repayment of loans from credit institutions		0	-38,369
Raising of loans from credit institutions		14,665	0
Lease obligations incurred		2,029	0
Purchase of treasury shares		0	-12,500
Cash capital reduction		0	-60
Dividend paid		-20,000	0
Cash flows from financing activities		-3,306	-50,929
Change in cash and cash equivalents		1,794	-33
Cash and cash equivalents at 1 July		1,662	1,695
Cash and cash equivalents at 30 June		3,456	1,662
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		3,456	1,662
Cash and cash equivalents at 30 June		3,456	1,662

Notes to the Financial Statements

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
1. Staff Expenses				
Wages and salaries	52,616	46,831	35,225	28,343
Pensions	4,478	3,625	4,088	3,098
Other social security expenses	768	854	471	373
	57,862	51,310	39,784	31,814
Including remuneration to the Executive Board and Board of Directors	2,216	1,945	2,216	1,945
Average number of employees	139	116	72	57

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
2. Financial income				
Interest received from group enterprises	0	0	910	895
Other financial income	32	27	0	0
Exchange adjustments	414	0	211	0
	446	27	1,121	895

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
3. Financial expenses				
Other financial expenses	471	1,782	455	1,712
Exchange adjustments, expenses	0	2,332	0	2,658
	471	4,114	455	4,370

Notes to the Financial Statements

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
4. Income tax expense				
Current tax for the year	11,380	9,664	11,238	9,578
Deferred tax for the year	-62	75	-62	75
	11,318	9,739	11,176	9,653

	Parent company	
	2023/24	2022/23
	TDKK	TDKK
5. Profit allocation		
Proposed dividend for the year	12,000	20,000
Retained earnings	28,268	13,002
	40,268	33,002

6. Property, plant and equipment

	Group			Parent company		
	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 July	0	8,236	1,516	0	5,444	375
Additions for the year	186	4,783	0	186	3,981	0
Disposals for the year	0	-463	-827	0	0	0
Transfers for the year	0	-194	18	0	0	0
Cost at 30 June	186	12,362	707	186	9,425	375
Impairment losses and depreciation at 1 July	0	5,187	509	0	2,801	268
Exchange adjustment	0	-16	16	0	0	0
Depreciation for the year	0	2,343	257	0	1,931	107
Reversal of impairment and depreciation of sold assets	0	-455	-357	0	0	0
Transfers for the year	0	-329	133	0	0	0
Impairment losses and depreciation at 30 June	0	6,730	558	0	4,732	375
Carrying amount at 30 June	186	5,632	149	186	4,693	0
Including assets under finance leases amounting to	0	2,514	0	0	2,514	0

Notes to the Financial Statements

	Parent company	
	2023/24	2022/23
	TDKK	TDKK
7. Investments in subsidiaries		
Cost at 1 July	23,524	23,299
Additions for the year	0	225
Cost at 30 June	<u>23,524</u>	<u>23,524</u>
Value adjustments at 1 July	-17,753	-16,206
Exchange adjustment	92	-663
Net profit/loss for the year	863	-476
Amortisation of goodwill	0	-195
Change in intercompany profit on inventories	0	-213
Value adjustments at 30 June	<u>-16,798</u>	<u>-17,753</u>
Carrying amount at 30 June	<u>6,726</u>	<u>5,771</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
Unique Furniture Int. Ltd	Hong Kong	100%
Unique Furniture UAB	Lithauen	100%
Unique Furniture Inc.	USA	100%
Unique Furniture Scandinavia AB	Sweden	100%
Unique Furniture SARL	France	100%
Beijing You'aifu IMP.& EXP. Trade Co.,Ltd.	Kina	100%

Notes to the Financial Statements

8. Other fixed asset investments

	<u>Group</u>	<u>Parent company</u>
	<u>Deposits</u>	<u>Deposits</u>
	TDKK	TDKK
Cost at 1 July	1,357	1,005
Additions for the year	419	417
Disposals for the year	-328	-38
Cost at 30 June	<u>1,448</u>	<u>1,384</u>
Carrying amount at 30 June	<u>1,448</u>	<u>1,384</u>

9. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest as well.

10. Share capital

The share capital consists of 2,000,000 shares of a nominal value of TDKK 0.001. No shares carry any special rights.

	<u>Group</u>		<u>Parent company</u>	
	<u>2023/24</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2022/23</u>
	TDKK	TDKK	TDKK	TDKK
11. Provision for deferred tax				
Deferred tax liabilities at 1 July	327	252	327	252
Amounts recognised in the income statement for the year	-62	75	-62	75
Deferred tax liabilities at 30 June	<u>265</u>	<u>327</u>	<u>265</u>	<u>327</u>

Notes to the Financial Statements

Group		Parent company	
2023/24	2022/23	2023/24	2022/23
TDKK	TDKK	TDKK	TDKK

12. 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	0	0
Between 1 and 5 years	0	2,000	0	2,000
Long-term part	0	2,000	0	2,000
Within 1 year	0	3,114	0	2,500
Other short-term debt to credit institutions	20,907	1,128	20,907	1,128
	20,907	6,242	20,907	5,628

Group	
2023/24	2022/23
TDKK	TDKK

13. Cash flow statement - Adjustments

Financial income	-446	-27
Financial expenses	471	4,114
Depreciation, amortisation and impairment losses, including losses and gains on sales	2,844	2,163
Tax on profit/loss for the year	11,318	9,739
Exchange adjustments	92	-693
	14,279	15,296

Notes to the Financial Statements

	Group	
	2023/24	2022/23
	TDKK	TDKK
14. Cash flow statement - Change in working capital		
Change in inventories	-19,542	27,444
Change in receivables	-34,069	4,520
Change in trade payables, etc	23,760	-14,489
	-29,851	17,475

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
15. Contingent assets, liabilities and other financial obligations				
Charges and security				
The following assets have been placed as security with bankers:				
Business collateral in assets, trade receivables, stock etc. for an amount of TDKK 40.000 (2022/23: TDKK 40,000)	140,901	99,861	140,901	99,861
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	362	403	362	403
Between 1 and 5 years	789	167	789	167
	1,151	570	1,151	570
Rental agreements have been entered into with a total obligation on	9,638	11,367	5,304	5,087

16. Related parties

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Notes to the Financial Statements

17. Accounting policies

The Annual Report of Unique Furniture af 14. juni 2007 A/S for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023/24 are presented in TDKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Unique Furniture af 14. juni 2007 A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Business acquisitions carried through on or after 1 July 2018

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Notes to the Financial Statements

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

Business acquisitions carried through before 1 July 2018

Subject to some exemptions, acquisitions carried through before 1 July 2018 are accounted for under the same accounting policies as those applying to business combinations carried through on or after 1 July 2018. The most material exemptions are:

- Identifiable assets and liabilities of the entity acquired are recognised only if they are probable.
- Identifiable contingent liabilities of the entity acquired are not recognised in the consolidated balance sheet.
- Where the purchase price allocation is not final, positive and negative differences due to changes to the recognition and measurement of the acquired net assets may be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.
- Transaction costs directly attributable to the acquisition of subsidiaries are included as part of cost.
- After the initial recognition, adjustment of contingent consideration is recognised directly with its counter entry in initial purchase price, thus correcting the value of goodwill or negative goodwill.
- In respect of step acquisitions, the carrying amount of the existing investments is recognised in cost.

Pooling of interests

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied as if the two enterprises had always been combined by restating comparative figures.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

Notes to the Financial Statements

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies. If currency positions are considered to hedge future cash flows, value adjustments are recognized directly in equity.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve the consolidated revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Notes to the Financial Statements

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

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 deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	1-5 years
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Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Notes to the Financial Statements

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

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

Notes to the Financial Statements

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, the Parent Company has not prepared a cash flow statement for the Company itself but has only prepared a cash flow statement for the Group.

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

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Return on assets	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$