

BESTSELLER Wholesale A/S
Fredskovvej 5
7330 Brande
CVR no. 39 36 58 71

Annual report for 2024/25

Adopted at the annual general meeting on
24 October 2025

Rasmus Laursen
chairman

BESTSELLER

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Statement by management on the annual report

The Board of Directors and executive board have today discussed and approved the annual report of BESTSELLER Wholesale A/S for the financial year 1 August 2024 - 31 July 2025.

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 company's financial position at 31 July 2025 and of the results of the company's operations for the financial year 1 August 2024 - 31 July 2025.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Aarhus, 24 October 2025

Executive board

Lars Erik Pedersen
Director

Board of Directors

Anders Holch Povlsen
chairman

Lars Erik Pedersen

Lise Kaae

Independent auditor's report

To the shareholder of BESTSELLER Wholesale A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of BESTSELLER Wholesale A/S at 31 July 2025, and of the results of the Company's operations for the financial year 1 August 2024 - 31 July 2025 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of BESTSELLER Wholesale A/S for the financial year 1 August 2024 - 31 July 2025, which comprise summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes ("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.

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 Statements Act. We did not identify any material misstatement of management's review.

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.

Independent auditor's report

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.
- 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.

Independent auditor's report

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.

Aarhus, 24 October 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Claus Lyngsø Sørensen
State Authorised Public Accountant
mnc34539

Jeppe Brændstrup
State Authorised Public Accountant
mnc48564

Company details

The company BESTSELLER Wholesale A/S
Fredskovvej 5
7330 Brande

CVR no.: 39 36 58 71

Reporting period: 1 August 2024 - 31 July 2025

Domicile: Brande

Board of Directors Anders Holch Povlsen, chairman
Lars Erik Pedersen
Lise Kaae

Executive board Lars Erik Pedersen, director

Auditors PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Jens Chr. Skous Vej 1
8000 Aarhus C

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	<u>2024/25</u>	<u>2023/24</u>	<u>2022/23</u>	<u>2021/22</u>	<u>2020/21</u>
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit/loss	43.672	54.302	51.532	59.169	53.648
Profit/loss before net financials	16.920	28.032	29.495	25.129	23.472
Net financials	2.347	5.540	2.634	-75	797
Profit/loss for the year	14.935	26.186	20.136	22.926	20.204
Balance sheet					
Balance sheet total	109.884	118.447	118.110	104.049	99.954
Investment in property, plant and equipment	515	612	0	1.788	1.795
Equity	76.961	87.026	80.840	66.704	43.779
Financial ratios					
Solvency ratio	70,0%	73,5%	68,4%	64,1%	43,8%
Return on equity	18,2%	31,2%	27,3%	41,5%	24,1%

For definitions, see the summary of significant accounting policies.

Management's review

Business review

The company's purpose is wholesale trade in clothing and other related business.

Financial review

The company's income statement for the year ended 31 July 2025 shows a profit of DKK 14.935.187, and the balance sheet at 31 July 2025 shows equity of DKK 76.960.735.

This year's result is below expectations, due to a turnover lower than expected.

Expected development of the company, including specific prerequisites and uncertainties

The expectation for the coming financial year is a positive development with single digit growth in both revenue and earnings.

The company's knowledge resources if of particular importance to its future earnings

The management assesses that the company is not affected by special risks in addition to the commonly occurring risks in the industry.

Statutory corporate governance report

The company is part of the BESTSELLER-Group and is therefore included in the strategy and policies on the corporate social responsibility adopted by the parent company BESTSELLER A/S, CVR-nr. 88216512. Please see the 2024/25 annual report for BESTSELLER A/S for the report on the BESTSELLER-Groups strategy and policies on corporate social responsibility, including actions and results achieved in the financial year.

Accounting policies

The annual report of BESTSELLER Wholesale A/S for 2024/25 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized class C entities

The accounting policies applied are consistent with those of last year.
The annual report for 2024-25 is presented in DKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, 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 from the company and the value of the liability can be measured reliably.

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

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue. Gross profit reflects an aggregation of revenue, other operating income less costs of sales and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Accounting policies

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Amortisation, depreciation and impairment losses comprise the year's depreciation of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Property, plant 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 when the asset is available for use. Interests are not included in the 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.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Accounting policies

Non-current assets are depreciated on a straight-line basis, based on cost and on the following continually estimated useful lives:

Useful life

Other fixtures and fittings, tools and equipment 3-5 years

The basis of depreciation is based on the residual value of the asset at the end of its useful life. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale.

Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Impairment of fixed assets

The carrying amount of property, plant and equipment is tested for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets, respectively. If it is not possible to determine the recoverable amount for individual assets, the assets are reviewed jointly in the smallest identifiable group of assets to determine a reliable recoverable amount.

Receivables

Receivables are measured at amortised cost.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Accounting policies

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Financial Highlights

Definitions of financial ratios.

Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Profit/loss before net financials	
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

Income statement 1 August - 31 July

	<u>Note</u>	<u>2024/25</u> DKK	<u>2023/24</u> DKK
Gross profit		43.672.054	54.302.279
Staff costs	1	-26.692.340	-26.233.762
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-59.890</u>	<u>-36.929</u>
Profit/loss before net financials		16.919.824	28.031.588
Financial income	2	2.353.148	5.548.088
Financial costs		<u>-5.992</u>	<u>-8.330</u>
Profit/loss before tax		19.266.980	33.571.346
Tax on profit for the year	3	<u>-4.331.793</u>	<u>-7.385.696</u>
Profit/loss for the year		<u>14.935.187</u>	<u>26.185.650</u>
Distribution of profit	4		

Balance sheet 31 July

	<u>Note</u>	<u>2025</u> DKK	<u>2024</u> DKK
Assets			
Other fixtures and fittings, tools and equipment	5	<u>0</u>	<u>575.099</u>
Tangible assets		<u>0</u>	<u>575.099</u>
Total non-current assets		<u>0</u>	<u>575.099</u>
Trade receivables		85.931.818	81.852.048
Receivables from group enterprises		23.937.009	35.955.552
Other receivables		<u>15.213</u>	<u>64.089</u>
Receivables		<u>109.884.040</u>	<u>117.871.689</u>
Total current assets		<u>109.884.040</u>	<u>117.871.689</u>
Total assets		<u>109.884.040</u>	<u>118.446.788</u>

Balance sheet 31 July

	<u>Note</u>	<u>2025</u> DKK	<u>2024</u> DKK
Equity and liabilities			
Share capital		600.000	600.000
Retained earnings		56.360.735	61.425.548
Proposed dividend for the year		<u>20.000.000</u>	<u>25.000.000</u>
Equity	6	<u>76.960.735</u>	<u>87.025.548</u>
Trade payables		379.741	257.899
Payables to group enterprises		1.031.564	1.607.140
Corporation tax		4.238.736	6.403.527
Other payables		<u>27.273.264</u>	<u>23.152.674</u>
Total current liabilities		<u>32.923.305</u>	<u>31.421.240</u>
Total liabilities		<u>32.923.305</u>	<u>31.421.240</u>
Total equity and liabilities		<u>109.884.040</u>	<u>118.446.788</u>
Subsequent events	7		
Contingent liabilities	8		
Mortgages and collateral	9		
Related parties and ownership structure	10		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Proposed dividend for the year</u>	<u>Total</u>
Equity at 1 August 2024	600.000	61.425.548	25.000.000	87.025.548
Ordinary dividend paid	0	0	-25.000.000	-25.000.000
Net profit/loss for the year	0	-5.064.813	20.000.000	14.935.187
Equity at 31 July 2025	<u>600.000</u>	<u>56.360.735</u>	<u>20.000.000</u>	<u>76.960.735</u>

Notes

	<u>2024/25</u>	<u>2023/24</u>
	DKK	DKK
1 Staff costs		
Wages and salaries	22.892.062	21.818.240
Pensions	2.711.932	2.457.548
Other social security costs	396.443	414.172
Other staff costs	<u>691.903</u>	<u>1.543.802</u>
	<u>26.692.340</u>	<u>26.233.762</u>
Number of fulltime employees on average	<u>47</u>	<u>48</u>
According to section 98 B(3) of the Danish Financial Statements Act, remuneration to The Executive Board and Board of Directors has not been disclosed.		
2 Financial income		
Financial income, group enterprises	2.316.780	5.487.415
Other financial income	<u>36.368</u>	<u>60.673</u>
	<u>2.353.148</u>	<u>5.548.088</u>
3 Tax on profit for the year		
Current tax for the year	4.238.736	7.385.696
Adjustment of tax concerning previous years	<u>93.057</u>	<u>0</u>
	<u>4.331.793</u>	<u>7.385.696</u>
4 Distribution of profit		
Proposed dividend for the year	20.000.000	25.000.000
Retained earnings	<u>-5.064.813</u>	<u>1.185.650</u>
	<u>14.935.187</u>	<u>26.185.650</u>

Notes**5 Tangible assets**

	<u>Other fixtures and fittings, tools and equipment</u>
Cost at 1 August 2024	612.028
Additions for the year	1.327.845
Disposals for the year	<u>-1.939.873</u>
Cost at 31 July 2025	<u>0</u>
Impairment losses and depreciation at 1 August 2024	36.929
Impairment and depreciation of sold assets for the year	59.890
Reversal of impairment and depreciation of sold assets	<u>-96.819</u>
Impairment losses and depreciation at 31 July 2025	<u>0</u>
Carrying amount at 31 July 2025	<u>0</u>

6 Equity

The share capital consists of 600 shares of a nominal value of DKK 1.000. No shares carry any special rights.

7 Subsequent events

No events materially affecting the financial position have occurred after the balance sheet date.

8 Contingent liabilities**Contingent liabilities related to group enterprises**

The Company participates in a Danish joint taxation arrangement with HEARTLAND A/S serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore secondarily liable for income taxes etc for the jointly taxed entities as well as to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

9 Mortgages and collateral

There are no collaterals per 31 July 2025.

Notes**10 Related parties and ownership structure****Controlling interest**

The company is 100% owned by BESTSELLER A/S, Fredskovvej 5, 7330 Brande.

Transactions

Sale of goods to other related parties - 363.616 DKK

Sale of services to other related parties - 137.009 DKK

Purchase of goods from other related parties - 511.478.796 DKK

Purchase of services from other related parties - 10.527.439 DKK

Interest income from other related parties - 2.316.780 DKK

Receivables from group companies - 23.937.009 DKK

Payables to group enterprises - 1.031.564 DKK

Consolidated financial statements

The financial statement of BESTSELLER Wholesale A/S is included in the consolidated financial statements for BESTSELLER A/S, Fredskovvej 5, 7330 Brande being the smallest group.

The financial statement of BESTSELLER Wholesale A/S is included in the consolidated financial statements for HEARTLAND A/S, Store Torv 1, 3., 8000 Aarhus C being the largest group.

Notes