

Simone Pérèle Nordics ApS

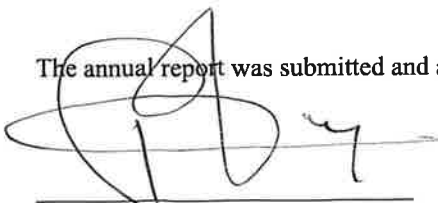
Dronning Olgas Vej 43 A, 2000 Frederiksberg

Company reg. no. 30 20 53 91

Annual report

2020

The annual report was submitted and approved by the general meeting on the 9 June 2021



Philippe Grodner
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of Simone Pérèle Nordics ApS for the financial year 2020 of Simone Pérèle Nordics ApS.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting

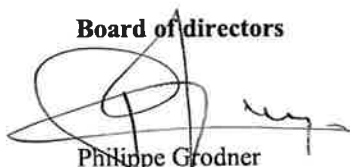
Frederiksberg, 9 June 2021

Managing Director



Mathieu Julien Grodner

Board of directors



Philippe Grodner

Independent auditor's report on extended review

To the shareholders of Simone Pérèle Nordics ApS

Opinion

We have performed an extended review of the financial statements of Simone Pérèle Nordics ApS for the financial year 1 January to 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, we believe that the financial statements give a fair presentation of the assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We performed the extended review in accordance with the standard from the Danish Business Authority applicable to auditor's reports on small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable to extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the extended review of the financial statements". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matters in the financial statements

Without affecting our opinion, we draw attention to the company has lost equity and refer to note 1 for discussion of going concern.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a fair presentation in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management considers necessary to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the the financial statements, the 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 unless the 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 extended review of the financial statements

Our responsibility is to express an opinion on the financial statements. This requires that we plan and perform our procedures with the purpose of achieving moderate assurance as to our opinion on the financial statements. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

Independent auditor's report on extended review

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an assessment of the achieved evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion on the management commentary.

In connection with our extended review the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the extended review, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management commentary is consistent with the financial statements and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not discover any material misstatement in the management commentary.

Copenhagen, 9 June 2021

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36



Michael Beuchert
State Authorised Public Accountant
mnc32794

Company information

The company	Simone Pérèle Nordics ApS Dronning Olgas Vej 43 A 2000 Frederiksberg
	Company reg. no. 30 20 53 91 Established: 22 January 2007 Financial year: 1 January - 31 December
Board of directors	Philippe Grodner
Managing Director	Mathieu Julien Grodner
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø
Parent company	Simone Pérèle France SAS

Management commentary

The principal activities of the company

The Company's principal activities consist of running business with the textile industry and hereby associated business.

Development in activities and financial matters

The gross profit for the year totals DKK 1,8m against DKK 2,7m last year. Income or loss from ordinary activities after tax totals DKK -1,6m against DKK -1,0m last year. Management considers the net profit or loss for the year unsatisfactory.

The company has experienced a negative impact during the financial year due to the restrictions imposed as a result of the Corona-virus pandemic. As a result of the crisis, the company has received the governments salary compensation packages, of which amounts to T.DKK 345. These packages are recognized under other operating income.

Events occurring after the end of the financial year

If the pandemic should prove to be long-lasting, and the authorities were to further implement restrictions in order to inhibit the spread of the Corona-virus, the societal consequences could be severe. If such a scenario were to incur the impact it would impose on the company is expected to be negative.

Due to the insecurity concerning the length of the pandemic and societal consequences and restrictions that follow. As of this moment, it is not possible to estimate a specified amount as to the economic consequences the pandemic directly would impose on the company.

Accounting policies

The annual report for Simone Pérèle Nordics ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Accounting policies

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Accounting policies

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Inventories

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Accounting policies

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	1.813.833	2.692.354
3 Staff costs	-3.326.724	-3.663.144
Depreciation and impairment of property, land, and equipment	-47.533	-54.322
Other operating costs	-2.940	0
Operating profit	-1.563.364	-1.025.112
Other financial income	161.925	1.840
Other financial costs	-202.338	-23.412
Pre-tax net profit or loss	-1.603.777	-1.046.684
Net profit or loss for the year	-1.603.777	-1.046.684
Proposed appropriation of net profit:		
Allocated from retained earnings	-1.603.777	-1.046.684
Total allocations and transfers	-1.603.777	-1.046.684

Statement of financial position at 31 December

All amounts in DKK.

Assets	<u>2020</u>	<u>2019</u>
<u>Note</u>		
Non-current assets		
Other plants, operating assets, and fixtures and furniture	<u>0</u>	<u>47.533</u>
Total property, plant, and equipment	<u>0</u>	<u>47.533</u>
Deposits	<u>33.000</u>	<u>33.000</u>
Total investments	<u>33.000</u>	<u>33.000</u>
Total non-current assets	<u>33.000</u>	<u>80.533</u>
Current assets		
Raw materials and consumables	<u>1.651.080</u>	<u>2.256.456</u>
Total inventories	<u>1.651.080</u>	<u>2.256.456</u>
Trade receivables	1.054.452	2.281.564
Amounts owed by group enterprises	913.195	0
Other receivables	80.407	54.084
Prepayments and accrued income	<u>339.065</u>	<u>682.260</u>
Total receivables	<u>2.387.119</u>	<u>3.017.908</u>
Cash on hand and demand deposits	<u>2.447.806</u>	<u>1.114.573</u>
Total current assets	<u>6.486.005</u>	<u>6.388.937</u>
Total assets	<u>6.519.005</u>	<u>6.469.470</u>

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities	2020	2019
<u>Note</u>		
Equity		
Contributed capital	125.000	125.000
Retained earnings	-6.022.899	-4.419.123
Total equity	-5.897.899	-4.294.123
 Liabilities other than provisions		
Bank loans	0	10.142
Trade payables	66.026	14.172
Payables to group enterprises	10.409.835	9.891.742
Other payables	1.941.043	847.537
Total short term liabilities other than provisions	12.416.904	10.763.593
 Total liabilities other than provisions	12.416.904	10.763.593
 Total equity and liabilities	6.519.005	6.469.470

- 1** Uncertainties concerning the enterprise's ability to continue as a going concern
- 2** Special items
- 5** Contingencies
- 6** Related parties

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2020	125.000	-4.419.122	-4.294.122
Profit or loss for the year brought forward	0	-1.603.777	-1.603.777
	125.000	-6.022.899	-5.897.899

Notes

All amounts in DKK.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

The Company has net liabilities. The company has received a letter of support concerning year 2020 from its parent company Simone Pérèle France SAS, where the parent declares its intention to make the necessary funding available, so the company can pay its debts and obligations of up to 12 months after the balance sheet date.

2. Special items

Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.

As mentioned in the management commentary, the net profit or loss for the year is affected by a number of factors that differ from what is considered by management to be part of operating activities.

Special items for the year are specified below, indicating where they are recognised in the income statement.

Income:

Salary compensation	344.563	0
	<u>344.563</u>	<u>0</u>

Special items are recognised in the following items in the financial statements:

Other operating income	344.563	0
Profit of special items, net	<u>344.563</u>	<u>0</u>

3. Staff costs

Salaries and wages	2.982.288	3.254.685
Pension costs	300.883	351.216
Other costs for social security	43.553	57.243
	<u>3.326.724</u>	<u>3.663.144</u>
Average number of employees	<u>7</u>	<u>6</u>

4. Tax on net profit or loss for the year

The Company has an unrecognized tax asset of 1.203.000 DKK.

Notes

All amounts in DKK.

2020

2019

5. Contingencies

Contingent liabilities

Lease liabilities

The Company has made an office-rent agreement. Total liability for payment of rent amounts to 103.000 DKK.

The Company has contracted lease arrangements for 1 car. Total liability for lease payment amounts to 75.000 DKK.

6. Related parties

Controlling interest

Simone Pérèle France SAS

Majority shareholder

1 Rue de Stockholm

75008 Paris, France