

FEMILET A/S

Bredgade 4
DK-7400 Herning

CVR no. 37 99 95 12

Annual report 2024

The annual report was presented and approved at
the Company's annual general meeting on

2 June 2025

Patrice Jean Francois Kretz
Chairman of the annual general meeting

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report for FEMILET A/S for the financial year 1 January - 31 December 2024.

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 at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Herning, 2 June 2025
Executive Board:

Guillaume Kretz
CEO

Board of Directors:

Patrice Jean Francois Kretz
Chairman

Bénédicte Marie Fanny
Huriez

Guillaume Kretz



Independent auditor's report

To the shareholder of FEMILET A/S

Opinion

We have audited the financial statements of FEMILET A/S for the financial year 1 January - 31 December 2024, comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. 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 assets, liabilities and 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 (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 company 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review.

Aarhus, 2 June 2025

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Niklas R. Filipsen
State Authorised Public Accountant
mne47781

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Management's review

Company details

FEMILET A/S
Bredgade 4
DK-7400 Herning

Telephone:	96 60 44 44
CVR no.:	37 99 95 12
Established:	27 November 1945
Registered office:	Herning
Financial year:	1 January - 31 December

Board of Directors

Patrice Jean Francois Kretz, Chairman
Bénédicte Marie Fanny Huriez
Guillaume Kretz

Executive Board

Guillaume Kretz, CEO

Audit

KPMG
Statsautoriseret Revisionspartnerselskab
Frederiks Plads 42
DK-8000 Aarhus C
CVR no. 25 57 81 98

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Management's review

Operating review

Principal activities

The Company is engaged in the sale of lingerie and related products.

The Company's products are distributed through two sales channels. One channel comprises concept stores, and the other through online sales.

Development in activities and financial position

The Company reported a loss of DKK 10,834 thousand for 2024 (2023: a loss of DKK 10,197 thousand).

The loss is below expectations for the year and the situation considered, results are still unacceptable.

In 2010, the French lingerie Group, Chantelle, acquired the Company, and a long-term plan was subsequently prepared for the Company. The implementation of these plans is in process and will continue in the years ahead.

2024 was yet another year with a market under pressure. High inflation in Denmark still plays a significant role. Electricity, gasoline, food and other basic necessities are still plagued by higher prices, reducing the disposable income of the Danes. Consequently, Danes remain cautious when shopping, and luxury items are often economised.

During 2024, one store in Glostrup was taken over from a franchisee.

The Company's inventory at the warehouse and in the stores are still owned by its sister company. The synergies between the different retail networks in the Chantelle Group have been improved greatly by this. The shareholder of the Company continues to support this process and will provide financial support to the Company to secure the long-term financial basis for its operations.

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Capital resources

The Company has lost more than 50% of its contributed capital and is thus subject to the provisions on loss of capital under the Danish Companies Act. It is Management's expectation that the capital can be restored over operations going forward. If, contrary to expectations, this will not take place, the Company's shareholder will contribute new capital to restore the contributed capital.

The Company's Parent Company has issued an unconditional letter of support and guarantees to provide the necessary liquidity to ensure the Company's continued operations. On this basis, the financial statements are presented on a going concern basis.

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Income statement

DKK'000	Note	2024	2023
Gross profit		21,113	21,469
Staff costs	3	-30,418	-30,035
Depreciation/amortisation of and impairment losses on property, plant and equipment and intangible assets		-1,327	-1,379
Loss before financial income and expenses		-10,632	-9,945
Other financial income		117	0
Other financial expenses	4	-319	-252
Loss before tax		-10,834	-10,197
Tax on loss for the year		0	0
Loss for the year		-10,834	-10,197
Proposed distribution of loss			
Retained earnings		-10,834	-10,197
		-10,834	-10,197

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Balance sheet

DKK'000	Note	31/12 2024	31/12 2023
ASSETS			
Fixed assets			
Intangible assets			
Patents, licences and trademarks		0	180
Property, plant and equipment			
Fixtures and fittings, tools and equipment		127	235
Leasehold improvements		1,877	2,492
		<u>2,004</u>	<u>2,727</u>
Financial assets			
Deposits		1,891	1,897
Total fixed assets		<u>3,895</u>	<u>4,804</u>
Current assets			
Receivables			
Trade receivables		77	74
Other receivables		1,738	2,574
Prepayments		86	197
		<u>1,901</u>	<u>2,845</u>
Cash at bank and in hand		<u>3,711</u>	<u>2,502</u>
Total current assets		<u>5,612</u>	<u>5,347</u>
TOTAL ASSETS		<u>9,507</u>	<u>10,151</u>

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Balance sheet

DKK'000	Note	31/12 2024	31/12 2023
EQUITY AND LIABILITIES			
Equity			
Contributed capital		12,611	12,611
Retained earnings		-35,127	-24,293
Total equity		<u>-22,516</u>	<u>-11,682</u>
Liabilities			
Current liabilities			
Prepayments received from customers		1,407	1,375
Trade payables		532	842
Payables to group entities		26,541	14,459
Other payables, including taxes payable		3,543	5,157
		<u>32,023</u>	<u>21,833</u>
Total liabilities		<u>32,023</u>	<u>21,833</u>
TOTAL EQUITY AND LIABILITIES		<u>9,507</u>	<u>10,151</u>

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Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2024	12,611	-24,293	-11,682
Transferred over the distribution of loss	0	-10,834	-10,834
Equity at 31 December 2024	12,611	-35,127	-22,516

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1 Accounting policies

The annual report of FEMILET A/S for 2024 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reclassifications

Referring to the true and fair view set out in the Danish Financial Statements Act, the Company has reclassified individual items in the income statement. The reclassifications have affected the items other external costs (gross profit) and staff costs but have not affected results before tax, results for the year or equity. Comparative figures have been restated accordingly.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, 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.

Income statement

Revenue

Income from the sale of goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Revenue from the sale of royalties is recognised as revenue in the statement provided that transfer of risk to the buyer has taken place before year end.

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

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year.

Other operating income

Other operating income comprises items secondary to the activities of the Company, including gains on the disposal of intangible assets and property, plant and equipment as well as payroll refunds.

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1 Accounting policies

Other external costs

Other external costs comprise costs for distribution and sales costs, costs for advertising, administrative expenses, costs of premises, bad debts, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding gains and losses on receivables, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Balance sheet

Intangible assets

Patetens, licenses and trademarks comprising earnest money, are measured at cost less accumulated amortisation. The basis of amortisation is cost less any residual values, and amortisation is provided on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Earnest money 10 years.

The amortisation period is determined based on the expected economic life of the strategic investment of earnest money.

Property, plant and equipment

Fixtures and fittings, tools and equipment and leasehold improvements 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 on which the asset is available for use.

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.

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1 Accounting policies

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-10 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Leases

The Company solely holds operational leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as financial assets is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

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1 Accounting policies

Liabilities

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Prepayments received from customers include prepayments for gift cards not utilised at the balance sheet date, with recognition of revenue subsequent to the balance sheet date.

Other liabilities are measured at amortised cost.

2 Capital resources

The Company has lost more than 50% of its contributed capital and is thus subject to the provisions on loss of capital under the Danish Companies Act. It is Management's expectation that the capital can be restored over operations going forward. If, contrary to expectations, this will not take place, the Company's shareholder will contribute new capital to restore contributed capital.

The Company's Parent Company has issued an unconditional letter of support and guarantees to provide the necessary liquidity to ensure the Company's continued operations. On this basis, the financial statements are presented on a going concern basis.

3 Staff costs

DKK'000	2024	2023
Wages and salaries	27,333	27,040
Pensions	2,518	2,242
Other social security costs	567	753
	<u>30,418</u>	<u>30,035</u>
Average number of full-time employees	<u>56</u>	<u>60</u>

4 Financial expenses

DKK'000	2024	2023
Interest expense to group entities	262	252
Other financial expenses	57	0
	<u>319</u>	<u>252</u>

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5 Contractual obligations, contingencies, etc.

Contingent liabilities

Operating lease obligations

The Company has entered into rental leases with a remaining term of 18 months with a total obligation of DKK 6,381 thousand at 31 December 2024 (31 December 2023: DKK 5,686 thousand). Of the total obligation, DKK 6,142 falls due within 1 year from the balance sheet date.

The Company has entered into operating leases with a remaining term of 20 months with a total obligation of DKK 272 thousand at 31 December 2024 (31 December 2023: DKK 662 thousand). Of the total obligation, DKK 207 thousand falls due within 1 year from the balance sheet date.

6 Mortgages and collateral

Through credit institutions, the Company has provided guarantees totalling DKK 811 thousand. As collateral, the Company has restricted deposits of DKK 811 thousand at 31 December 2024, which is recognised as cash at bank and in hand in the balance sheet.

7 Related parties disclosure

Control

Chantelle SA, 8/10 Rue de Provigny, BP 60137, 94234 Cedex, France.

Chantelle SA holds the majority of the contributed capital in the Company.

FEMILET A/S is part of the consolidated financial statements of Chantelle SA, which is the smallest group, in which the Company is included as a subsidiary.

The consolidated financial statements of Chantelle SA can be obtained by contacting the Company at the above address.