
Birkenstock Nordic ApS

Pilestræde, 52,3., DK-1112 København K

Annual Report for
1 October 2023 - 30 September 2024

CVR No. 38 40 28 03

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 3/2 2025

Andras Kalacsi
Chairman of the
general meeting

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Management's statement

The Executive Board has today considered and adopted the Annual Report of Birkenstock Nordic ApS for the financial year 1 October 2023 - 30 September 2024.

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 financial position at 30 September 2024 of the Company and of the results of the Company operations for 2023/24.

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

København K, 24 January 2025

Executive Board

Mark Clarkson
Managing Director

Mehdi Nico Bouyakhf
Director

Independent Auditor's report

To the shareholders of Birkenstock Nordic ApS

Opinion

We have audited the financial statements of Birkenstock Nordic ApS for the financial year 01.10.23 – 30.09.24, which comprise income statement, balance sheet and notes, including significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the accompanying financial statements give a true and fair view of the company's financial position at 30.09.24 and of the results of the company's operations for the financial year 01.10.23 – 30.09.24 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 responsibilities for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent Auditor's report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 content 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.

Copenhagen, 24 January 2025

Beierholm

CVR No 32895468

Maria Gammelgaard Poulsen

statsautoriseret revisor

mne47802

Company information

The Company Birkenstock Nordic ApS
Pilestræde, 52,3.
DK-1112 København K
CVR No: 38 40 28 03
Financial period: 1 October 2023 - 30 September 2024
Municipality of reg. office: Copenhagen

Executive Board Mark Clarkson
Mehdi Nico Bouyakhf

Auditors Beierholm
Knud Højgaards Vej 9
2860 Søborg

Income statement 1 October 2023 - 30 September 2024

	Note	2023/24	2022/23
		DKK	DKK
Gross profit		13,504,866	9,951,004
Staff expenses	2	-6,877,760	-4,297,666
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-696,542	-672,082
Profit/loss before financial income and expenses		5,930,564	4,981,256
Financial income	3	347,018	374,640
Financial expenses	4	-245,340	-352,642
Profit/loss before tax		6,032,242	5,003,254
Tax on profit/loss for the year	5	-1,331,098	-1,190,553
Net profit/loss for the year		4,701,144	3,812,701
 Distribution of profit			
		2023/24	2022/23
		DKK	DKK
Proposed distribution of profit			
Proposed dividend for the year		4,701,144	3,812,701
		4,701,144	3,812,701

Balance sheet 30 September 2024

Assets

	Note	2023/24	2022/23
		DKK	DKK
Acquired other similar rights		110,119	374,404
Intangible assets	6	110,119	374,404
Other fixtures and fittings, tools and equipment		67,304	82,124
Leasehold improvements		800,714	1,200,241
Property, plant and equipment	7	868,018	1,282,365
Deposits		130,557	130,557
Fixed asset investments		130,557	130,557
Fixed assets		1,108,694	1,787,326
Finished goods and goods for resale		1,860,832	1,852,571
Inventories		1,860,832	1,852,571
Trade receivables		4,672,620	5,217,749
Receivables from associates		3,915,471	2,946,826
Other receivables		94,408	53,993
Corporation tax		0	48,108
Prepayments		84,583	79,729
Receivables		8,767,082	8,346,405
Cash at bank and in hand		13,440,221	15,114,867
Current assets		24,068,135	25,313,843
Assets		25,176,829	27,101,169

Balance sheet 30 September 2024

Liabilities and equity

	Note	2023/24	2022/23
		DKK	DKK
Share capital		50,000	50,000
Retained earnings		5,512,544	5,512,544
Proposed dividend for the year		4,701,144	3,812,701
Equity		10,263,688	9,375,245
Provision for deferred tax		165,613	273,887
Other provisions		102,974	89,200
Provisions		268,587	363,087
Corporation tax		1,395,329	1,014,990
Long-term debt	8	1,395,329	1,014,990
Trade payables		923,290	741,830
Payables to group enterprises		8,856,428	11,471,323
Corporation tax		929,033	0
Other payables		2,489,220	4,107,903
Deferred income		51,254	26,791
Short-term debt		13,249,225	16,347,847
Debt		14,644,554	17,362,837
Liabilities and equity		25,176,829	27,101,169
Key activities	1		
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Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 October	50,000	5,512,544	3,812,701	9,375,245
Ordinary dividend paid	0	0	-3,812,701	-3,812,701
Net profit/loss for the year	0	0	4,701,144	4,701,144
Equity at 30 September	50,000	5,512,544	4,701,144	10,263,688

Notes to the Financial Statements

1. Key activities

The Company imports and sells footbed-based products, including sandals and closed-toe silhouettes, and other products, such as skincare and accessories, for everyday leisure, and work.

2. Staff expenses

Wages and salaries

Other social security expenses

Average number of employees

	<u>2023/24</u>	<u>2022/23</u>
	DKK	DKK
	6,502,167	4,174,844
	<u>375,593</u>	<u>122,822</u>
	<u>6,877,760</u>	<u>4,297,666</u>
	<u>12</u>	<u>9</u>

3. Financial income

Other financial income

Exchange adjustments

	<u>2023/24</u>	<u>2022/23</u>
	DKK	DKK
	346,635	15,952
	<u>383</u>	<u>358,688</u>
	<u>347,018</u>	<u>374,640</u>

4. Financial expenses

Interest paid to group enterprises

Other financial expenses

Exchange adjustments, expenses

	<u>2023/24</u>	<u>2022/23</u>
	DKK	DKK
	524	5,745
	224,268	154,267
	<u>20,548</u>	<u>192,630</u>
	<u>245,340</u>	<u>352,642</u>

Notes to the Financial Statements

	<u>2023/24</u>	<u>2022/23</u>
	DKK	DKK
5. Income tax expense		
Current tax for the year	1,439,372	1,100,990
Deferred tax for the year	-108,274	1,877
Adjustment of tax concerning previous years	0	87,686
	<u>1,331,098</u>	<u>1,190,553</u>
6. Intangible fixed assets		
		Acquired other similar rights
		<u>DKK</u>
Cost at 1 October		<u>2,114,285</u>
Cost at 30 September		<u>2,114,285</u>
Impairment losses and amortisation at 1 October		1,739,881
Amortisation for the year		<u>264,285</u>
Impairment losses and amortisation at 30 September		<u>2,004,166</u>
Carrying amount at 30 September		<u>110,119</u>
Amortised over		<u>7 years</u>

Notes to the Financial Statements

7. Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improve- ments
	DKK	DKK
Cost at 1 October	209,881	3,180,464
Additions for the year	17,910	0
Cost at 30 September	<u>227,791</u>	<u>3,180,464</u>
Impairment losses and depreciation at 1 October	127,757	1,980,223
Depreciation for the year	32,730	399,527
Impairment losses and depreciation at 30 September	<u>160,487</u>	<u>2,379,750</u>
Carrying amount at 30 September	<u>67,304</u>	<u>800,714</u>
Amortised over	<u>3-5 years</u>	<u>3-5 years</u>
	<u>2023/24</u>	<u>2022/23</u>
	DKK	DKK

8. 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:

Corporation tax		
After 5 years	0	0
Between 1 and 5 years	1,395,329	1,014,990
Long-term part	<u>1,395,329</u>	<u>1,014,990</u>
Within 1 year	929,033	0
	<u>2,324,362</u>	<u>1,014,990</u>

Notes to the Financial Statements

	<u>2023/24</u>	<u>2022/23</u>
	DKK	DKK
9. Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations, period of non-terminability 6 months	502,000	0
Lease obligations, period of non-terminability 15 months	0	760,000

Notes to the Financial Statements

10. Accounting policies

The Annual Report of Birkenstock Nordic ApS for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023/24 are presented in DKK.

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.

Translation policies

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 Company.

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 revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Notes to the Financial Statements

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.

Other operating income and expenses

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

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

Balance sheet

Intangible fixed assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding year.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

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.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

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	3-5 years
Leasehold improvements	3-5 years

Notes to the Financial Statements

The fixed assets' residual values are determined at nil.

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.

Other fixed asset investments

Fixed asset investments consist of rent deposit and other receivables.

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 equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

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

The proposed dividend for the financial year is recognised as a separate item in equity.

Dividend

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

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions comprise expected expenses incidental to obligations for dismantling, removing and restoring, restructuring etc. and are recognised when the company has a legal or constructive obligation at the balance sheet date and it is probable that such obligation will draw on the financial resources of the company. Provisions are measured at net realisable value or fair value if the provision is expected to be settled over the longer term.

Notes to the Financial Statements

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.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.