



Masai Clothing Company ApS

Hammerensgade 1, st. tv
1267 Copenhagen K
CVR No. 10279488

Annual report 01.07.2023 - 30.06.2024

The Annual General Meeting adopted the annual
report on 20.12.2024

Andreas Helverskov Pedersen
Chairman of the General Meeting

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Entity details

Entity

Masai Clothing Company ApS
Hammerensgade 1, st. tv
1267 Copenhagen K

Business Registration No.: 10279488
Registered office: Copenhagen
Financial year: 01.07.2023 - 30.06.2024

Board of Directors

Henrik Theilbjørn, Chairman
Jacob Andersen

Executive Board

Jacob Andersen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Masai Clothing Company ApS for the financial year 01.07.2023 - 30.06.2024.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.06.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.07.2023 - 30.06.2024.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 02.12.2024

Executive Board

Jacob Andersen

Board of Directors

Henrik Theilbjørn
Chairman

Jacob Andersen

Independent auditor's report

To the shareholders of Masai Clothing Company ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Masai Clothing Company ApS for the financial year 01.07.2023 - 30.06.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.06.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.07.2023 - 30.06.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 1 in the financial statements, which indicates the management expects that it will be possible for the company to pay its liabilities as they become due and has presented the annual report based on going concern.

The company is part of Masai Group UK (Daisy 2015 Topco Limited, United Kingdom) which is owned by Arcmont Asset Management Limited.

The company has received a letter of support from Masai Group UK, however the UK Group has limited funds and needs the ongoing support from Arcmont. Arcmont has granted an amount of 10,000 thousand DKK to the Group, which is paid out in July 2024 and December 2024. On the basis of this management expects that Masai Clothing Company ApS are able to pay its liabilities as they become due .

Our conclusion is not modified with reference to the matter outlined in note 1.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial

statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Entity'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 consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Entity'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 consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 02.12.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Hans Tauby

State Authorised Public Accountant
Identification No (MNE) mne44339

Management commentary

Financial highlights

	2023/24	2022/23	2021/22	2020/21	2019/20
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	194,619	233,259	257,202	228,575	300,014
Gross profit/loss	39,351	52,891	58,750	25,899	45,445
Operating profit/loss	(13,886)	(5,903)	(29,772)	(167,262)	(7,507)
Net financials	(275)	(1,992)	5,021	11,071	8,104
Profit/loss for the year	(14,369)	(8,005)	(23,294)	(154,768)	(2,893)
Balance sheet total	77,098	97,424	117,783	151,794	304,873
Investments in property, plant and equipment	1,731	941	2,855	231	2,683
Equity	39,247	56,970	65,898	94,663	249,537
Cash flows from operating activities	(11,830)	(5,132)	2,884	(20,996)	-
Cash flows from investing activities	(1,423)	(1,105)	(5,648)	(6,312)	-
Cash flows from financing activities	4,193	5,000	(20,000)	0	-
Average number of employees	77	99	99	99	99
Ratios					
Gross margin (%)	20.22	22.67	22.84	11.33	15.15
Net margin (%)	(7.38)	(3.43)	(9.06)	(67.71)	(0.96)
Return on equity (%)	(29.87)	(13.03)	(29.02)	(89.93)	(1.15)
Equity ratio (%)	50.91	58.48	55.95	62.36	81.85

Since this is the first year consolidated financial statements has been prepared, only 2022/23, 2021/22 and 2020/21 are consolidated key figures. Previous periods' financial highlights are *only* Masai Clothing Company ApS (Parent Company).

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$

Net margin (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$

Primary activities

As in previous years, the Company's primary activities are within design of women's lifestyle wear sold through wholesale, online and retail channels. The Company's products are mainly marketed in Northern and Western Europe and the United States. The Company is headquartered in Copenhagen and is represented by own and external showrooms in some of the largest cities in Northern and Western Europe. The Company has 12 directly operated retail stores in Denmark and direct E-commerce Business.

Development in activities and finances

The income statement shows a revenue of DKK 194,619 thousand, which is a decline of 17% compared to last year. Profit/Loss for the year was negative at DKK 14,369 thousand versus negative DKK 8,005 thousand last year. Cash flow from operating activities was realized at DKK -11,830 thousand versus DKK -5,132 thousand last year.

Profit/loss for the year in relation to expected developments

The Company's financial performance has not met the expectations set out last year of a declining revenue and a modest loss before Interests, tax and depreciations (EBITDA). The revenue and EBITDA end lower than expected. The development continues to be impacted by the general business environment with negative consumer sentiment following a period with high inflation and high interest rate.

Outlook

The current environment with low consumer sentiment is expected to put a continuous damper on consumer spend in general. Therefore, we expect a year with modest declining revenue and a modest loss before interest, tax and depreciations (EBITDA). The expected revenue is DKK 190 – 195 million and the expected EBITDA is DKK minus 5 to minus 10 million.

These expectations cause a continuous focus on growth initiatives as well as continuous focus on our cost base. Such focus and initiatives in addition to our sufficient financial resources will ensure a healthy business going forward. We maintain a loyal customer base and we remain able to attract a significant number of new customers despite the challenging market conditions. The online channel is expected to continue the growth realized during the first 3 quarters of 2024.

We refer to Note 1, where management has outlined the assumptions supporting the assessment of the company's ability to continue as a going concern.

Knowledge resources

An essential part of the Company's business is the design and conceptual development placing heavy demands on knowledge resources concerning employees engaged in this part of the Company. To maintain this knowledge, the Company must be able to recruit and keep employees with the relevant professional background. The Company aims at all times to secure the optimum mix of employees and the necessary adaptability. On several other essential business processes such as logistics and IT, the Company is seeking to secure the necessary adaptability by combining outsourcing and a mix of employees with high professional expert knowledge.

Environmental performance

Since the Company is not operating any in-house production, Management is of the opinion that the Company is not subject to any essential environmental conditions requiring a separate mentioning. Notwithstanding this, Masai has strong environmental priorities. We care about the environment and in particular how we produce our clothes. Therefore, Masai is "Committed to Thoughtfulness" and has obtained several CSR certificates for our different product groups. More information can be found on our website.

Research and development activities

The Company has no actual research activities but has (similar to recent years) spent considerable resources on developing and designing products and concepts to maintain its market position.

Events after the balance sheet date

No significant events have occurred after the end of this financial period which affects the Company's financial position.

Consolidated income statement for 2023/24

	Notes	2023/24 DKK'000	2022/23 DKK'000
Revenue		194,619	233,259
Other operating income		4,135	1,271
Cost of sales		(77,698)	(91,595)
Other external expenses		(81,705)	(90,044)
Gross profit/loss		39,351	52,891
Staff costs	2	(47,114)	(53,877)
Depreciation, amortisation and impairment losses	3	(10,316)	(10,682)
Writedowns of current assets exceeding normal writedowns	4	4,193	5,765
Operating profit/loss		(13,886)	(5,903)
Other financial income	5	3,825	5,380
Other financial expenses	6	(4,100)	(7,372)
Profit/loss before tax		(14,161)	(7,895)
Tax on profit/loss for the year	7	(208)	(110)
Profit/loss for the year	8	(14,369)	(8,005)

Consolidated balance sheet at 30.06.2024

Assets

	Notes	2023/24 DKK'000	2022/23 DKK'000
Completed development projects	10	6,331	13,589
Goodwill		1,023	2,229
Intangible assets	9	7,354	15,818
Other fixtures and fittings, tools and equipment		517	737
Leasehold improvements		1,604	1,813
Property, plant and equipment	11	2,121	2,550
Investments in group enterprises		0	0
Financial assets	12	0	0
Fixed assets		9,475	18,368
Manufactured goods and goods for resale		35,610	32,361
Inventories		35,610	32,361
Trade receivables		7,660	9,617
Receivables from group enterprises		650	4,048
Other receivables		7,351	8,147
Prepayments	13	3,043	2,514
Receivables		18,704	24,326
Cash		13,309	22,369
Current assets		67,623	79,056
Assets		77,098	97,424

Equity and liabilities

	Notes	2023/24 DKK'000	2022/23 DKK'000
Contributed capital	14	1,001	1,001
Reserve for development costs		4,938	10,636
Retained earnings		33,308	45,333
Equity		39,247	56,970
Other provisions	15	767	763
Provisions		767	763
Other payables	16	4,157	4,156
Non-current liabilities other than provisions	17	4,157	4,156
Trade payables		24,103	21,180
Payables to group enterprises		78	0
Tax payable		23	168
Other payables	18	8,723	14,187
Current liabilities other than provisions		32,927	35,535
Liabilities other than provisions		37,084	39,691
Equity and liabilities		77,098	97,424
Uncertainty related to going concern	1		
Unrecognised rental and lease commitments	20		
Contingent liabilities	21		
Non-arm's length related party transactions	22		
Group relations	23		
Subsidiaries	24		

Consolidated statement of changes in equity for 2023/24

	Contributed capital DKK'000	Reserve for development costs DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,001	10,636	45,333	56,970
Effect of mergers and business combinations	0	0	(3,354)	(3,354)
Transfer to reserves	0	(5,698)	5,698	0
Profit/loss for the year	0	0	(14,369)	(14,369)
Equity end of year	1,001	4,938	33,308	39,247

Consolidated cash flow statement for 2023/24

	Notes	2023/24 DKK'000	2022/23 DKK'000
Operating profit/loss		(13,886)	(5,903)
Amortisation, depreciation and impairment losses		10,316	10,682
Writedown of current assets		(4,193)	(5,765)
Working capital changes	19	(3,483)	(2,162)
Other adjustments		44	38
Cash flow from ordinary operating activities		(11,202)	(3,110)
Financial income received		3,825	5,380
Financial expenses paid		(4,100)	(7,372)
Taxes refunded/(paid)		(353)	(30)
Cash flows from operating activities		(11,830)	(5,132)
Acquisition etc. of intangible assets		(732)	0
Sale of intangible assets		55	0
Acquisition of fixed asset investments		(752)	(1,105)
Sale of fixed asset investments		6	0
Cash flows from investing activities		(1,423)	(1,105)
Free cash flows generated from operations and investments before financing		(13,253)	(6,237)
Repayment of debt to group enterprises		4,193	5,000
Cash flows from financing activities		4,193	5,000
Increase/decrease in cash and cash equivalents		(9,060)	(1,237)
Cash and cash equivalents beginning of year		22,369	23,606
Cash and cash equivalents end of year		13,309	22,369
Cash and cash equivalents at year-end are composed of:			
Cash		13,309	22,369
Cash and cash equivalents end of year		13,309	22,369

Notes to consolidated financial statements

1 Uncertainty related to going concern

The management expects that it will be possible for the company to pay its liabilities as they become due and has presented the annual report based on going concern.

The company is part of Masai Group UK (Daisy 2015 Topco Limited, United Kingdom) which is owned by Arcmont Asset Management Limited.

The company has received a letter of support from Masai Group UK, however the UK Group has limited funds and needs the ongoing support from Arcmont. Arcmont has granted an amount of 10,000 thousand DKK to the Group, which is paid out in July 2024 and December 2024. On the basis of this management expects that Masai Clothing Company ApS are able to pay its liabilities as they become due .

We conclude that the increased uncertainty is properly described in the annual report note 1. We refer to emphasis of matter in our audit opinion.

2 Staff costs

	2023/24	2022/23
	DKK'000	DKK'000
Wages and salaries	44,127	50,400
Pension costs	2,687	3,078
Other social security costs	300	399
	47,114	53,877

Average number of full-time employees	77	88
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	Remuneration of management 2023/24 DKK'000	Remuneration of management 2022/23 DKK'000
Executive Board	5,064	5,575
Board of Directors	662	450
	5,726	6,025

Management is employed in Masai Clothing Company ApS. Remuneration is solely in this company.

3 Depreciation, amortisation and impairment losses

	2023/24	2022/23
	DKK'000	DKK'000
Amortisation of intangible assets	9,141	9,374
Depreciation on property, plant and equipment	1,175	1,308
	10,316	10,682

4 Writedowns of current assets exceeding ordinary writedowns

Writedowns of current assets that exceed normal writedowns includes writedowns of receivables from group enterprises.

The Group has received repayments on previously written-down intercompany balances during the financial year, resulting in a recognition of income of DKK 4,193.

5 Other financial income

	2023/24	2022/23
	DKK'000	DKK'000
Other financial income	3,825	5,380
	3,825	5,380

6 Other financial expenses

	2023/24	2022/23
	DKK'000	DKK'000
Other financial expenses	4,100	7,372
	4,100	7,372

7 Tax on profit/loss for the year

	2023/24	2022/23
	DKK'000	DKK'000
Current tax	292	245
Adjustment concerning previous years	(84)	(135)
	208	110

8 Proposed distribution of profit/loss

	2023/24	2022/23
	DKK'000	DKK'000
Retained earnings	(14,369)	(8,005)
	(14,369)	(8,005)

9 Intangible assets

	Completed development projects DKK'000	Goodwill DKK'000
Cost beginning of year	47,798	11,518
Additions	732	0
Disposals	(355)	(300)
Cost end of year	48,175	11,218
Amortisation and impairment losses beginning of year	(34,209)	(9,289)
Amortisation for the year	(7,990)	(1,151)
Reversal regarding disposals	355	245
Amortisation and impairment losses end of year	(41,844)	(10,195)
Carrying amount end of year	6,331	1,023

10 Development projects

Recognized development projects comprise expenses held for the development of a new ERP system as well as development of the E-commerce platform. The ERP system replaced an old system and includes improved functionalities that can support the business decisions drive profitability in the company. The ERP system has been developed further throughout the year.

Investments has continued during the financial year to develop the functionality and to expand the market and thereby grow the business. The market potential is considered sufficiently favorable and therefore, the incurred expenses are recognized.

11 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	6,064	11,713
Addition through business combinations etc	1,007	0
Additions	0	724
Disposals	(443)	(186)
Cost end of year	6,628	12,251
Depreciation and impairment losses beginning of year	(5,327)	(9,900)
Addition through business combinations etc	(979)	0
Depreciation for the year	(242)	(933)
Reversal regarding disposals	437	186
Depreciation and impairment losses end of year	(6,111)	(10,647)
Carrying amount end of year	517	1,604

12 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	1
Cost end of year	1
Impairment losses beginning of year	(1)
Impairment losses end of year	(1)
Carrying amount end of year	0

13 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

14 Contributed capital

	Number	Nominal value DKK'000
Share capital	1,001,000	1,001
	1,001,000	1,001

15 Other provisions

Other provisions mainly relate to provisions for expected returns.

16 Other payables

	2023/24 DKK'000	2022/23 DKK'000
Holiday pay obligation	4,157	4,156
	4,157	4,156

17 Non-current liabilities other than provisions

	Due after more than 12 months 2023/24 DKK'000	Outstanding after 5 years 2023/24 DKK'000
Other payables	4,157	4,157
	4,157	4,157

18 Other payables

	2023/24	2022/23
	DKK'000	DKK'000
VAT and duties	4,080	5,157
Wages and salaries, personal income taxes, social security costs, etc. payable	441	297
Holiday pay obligation	1,854	1,862
Other costs payable	2,348	6,871
	8,723	14,187

19 Changes in working capital

	2023/24	2022/23
	DKK'000	DKK'000
Increase/decrease in inventories	(3,249)	(4,162)
Increase/decrease in receivables	2,224	4,509
Increase/decrease in trade payables etc.	(2,458)	(2,509)
	(3,483)	(2,162)

20 Unrecognised rental and lease commitments

	2023/24	2022/23
	DKK'000	DKK'000
Total liabilities under rental or lease agreements until maturity	18,763	10,069

21 Contingent liabilities

The Parent and the Danish subsidiaries participate in a Danish joint taxation arrangement in which Daisy 2015 Management ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Parent and the Danish subsidiaries are therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating 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.

22 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

23 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Daisy 2015 Topco Limited, United Kingdom

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Masai Clothing Company ApS, Denmark

24 Subsidiaries

	Registered in	Corporate form	Ownership %	Equity DKK'000	Profit/loss DKK'000
Masai Clothing Company Limited	United Kingdom	Limited	100.00	(2,993)	894
Masai Clothing Company Deutschland GmbH	Deutschland	GmbH	100.00	(3,387)	(126)

Parent income statement for 2023/24

	Notes	2023/24 DKK'000	2022/23 DKK'000
Revenue		174,507	207,300
Other operating income		4,583	4,832
Cost of sales		(69,061)	(81,770)
Other external expenses		(75,496)	(80,821)
Gross profit/loss		34,533	49,541
Staff costs	1	(42,778)	(51,706)
Depreciation, amortisation and impairment losses	2	(10,298)	(10,658)
Writedowns of current assets exceeding normal writedowns	3	(8,440)	5,330
Operating profit/loss		(26,983)	(7,493)
Other financial income	4	3,411	5,318
Other financial expenses	5	(3,984)	(7,108)
Profit/loss before tax		(27,556)	(9,283)
Tax on profit/loss for the year	6	(214)	(110)
Profit/loss for the year	7	(27,770)	(9,393)

Parent balance sheet at 30.06.2024

Assets

	Notes	2023/24 DKK'000	2022/23 DKK'000
Completed development projects	9	6,331	13,589
Goodwill		1,023	2,229
Intangible assets	8	7,354	15,818
Other fixtures and fittings, tools and equipment		496	726
Leasehold improvements		1,604	1,813
Property, plant and equipment	10	2,100	2,539
Investments in group enterprises		0	0
Financial assets	11	0	0
Fixed assets		9,454	18,357
Manufactured goods and goods for resale		30,318	28,964
Inventories		30,318	28,964
Trade receivables		7,131	7,681
Receivables from group enterprises		650	11,326
Other receivables		6,366	7,808
Prepayments	12	3,043	2,514
Receivables		17,190	29,329
Cash		10,802	21,115
Current assets		58,310	79,408
Assets		67,764	97,765

Equity and liabilities

	Notes	2023/24 DKK'000	2022/23 DKK'000
Contributed capital		1,001	1,001
Reserve for development costs		4,938	10,636
Retained earnings		27,153	49,225
Equity		33,092	60,862
Other provisions	13	767	763
Provisions		767	763
Other payables	14	4,157	4,156
Non-current liabilities other than provisions	15	4,157	4,156
Trade payables		22,665	19,928
Tax payable		23	168
Other payables	16	7,060	11,888
Current liabilities other than provisions		29,748	31,984
Liabilities other than provisions		33,905	36,140
Equity and liabilities		67,764	97,765
Unrecognised rental and lease commitments	17		
Contingent liabilities	18		
Related parties with controlling interest	19		
Non-arm's length related party transactions	20		

Parent statement of changes in equity for 2023/24

	Contributed capital DKK'000	Reserve for development costs DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,001	10,636	49,225	60,862
Transfer to reserves	0	(5,698)	5,698	0
Profit/loss for the year	0	0	(27,770)	(27,770)
Equity end of year	1,001	4,938	27,153	33,092

Notes to parent financial statements

1 Staff costs

	2023/24	2022/23
	DKK'000	DKK'000
Wages and salaries	39,791	48,229
Pension costs	2,687	3,078
Other social security costs	300	399
	42,778	51,706
Average number of full-time employees	77	88

	Remuneration of Manage- ment 2023/24 DKK'000	Remuneration of Manage- ment 2022/23 DKK'000
Executive Board	4,222	4,887
Board of Directors	553	395
	4,775	5,282

Management is employed in Masai Clothing Company ApS. Remuneration is solely in this company.

2 Depreciation, amortisation and impairment losses

	2023/24	2022/23
	DKK'000	DKK'000
Amortisation of intangible assets	9,141	9,374
Depreciation on property, plant and equipment	1,157	1,284
	10,298	10,658

3 Writedowns of current assets exceeding ordinary writedowns

Writedowns of current assets that exceed normal writedowns includes writedowns of receivables from group enterprises.

4 Other financial income

	2023/24	2022/23
	DKK'000	DKK'000
Other financial income	3,411	5,318
	3,411	5,318

5 Other financial expenses

	2023/24	2022/23
	DKK'000	DKK'000
Other financial expenses	3,984	7,108
	3,984	7,108

6 Tax on profit/loss for the year

	2023/24	2022/23
	DKK'000	DKK'000
Current tax	270	245
Adjustment concerning previous years	(56)	(135)
	214	110

7 Proposed distribution of profit and loss

	2023/24	2022/23
	DKK'000	DKK'000
Retained earnings	(27,770)	(9,393)
	(27,770)	(9,393)

8 Intangible assets

	Completed development projects DKK'000	Goodwill DKK'000
Cost beginning of year	47,798	11,431
Additions	732	0
Disposals	(355)	(300)
Cost end of year	48,175	11,131
Amortisation and impairment losses beginning of year	(34,209)	(9,202)
Amortisation for the year	(7,990)	(1,151)
Reversal regarding disposals	355	245
Amortisation and impairment losses end of year	(41,844)	(10,108)
Carrying amount end of year	6,331	1,023

9 Development projects

Recognized development projects comprise expenses held for the development of a new ERP system as well as development of the E-commerce platform. The ERP system replaced an old system and includes improved functionalities that can support the business decisions drive profitability in the company. The ERP system has been developed further throughout the year.

Investments has continued during the financial year to develop the functionality and to expand the market and thereby grow the business. The market potential is considered sufficiently favorable and therefore, the incurred expenses are recognized.

10 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	4,264	11,713
Additions	0	724
Disposals	(443)	(186)
Cost end of year	3,821	12,251
Depreciation and impairment losses beginning of year	(3,538)	(9,900)
Depreciation for the year	(224)	(933)
Reversal regarding disposals	437	186
Depreciation and impairment losses end of year	(3,325)	(10,647)
Carrying amount end of year	496	1,604

11 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	1
Cost end of year	1
Impairment losses beginning of year	(1)
Impairment losses end of year	(1)
Carrying amount end of year	0

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

12 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

13 Other provisions

Other provisions mainly relate to provisions for expected returns.

14 Other payables

	2023/24	2022/23
	DKK'000	DKK'000
Holiday pay obligation	4,157	4,156
	4,157	4,156

15 Non-current liabilities other than provisions

	Due after more than 12 months	Outstanding after 5 years
	2023/24	2023/24
	DKK'000	DKK'000
Other payables	4,157	4,157
	4,157	4,157

16 Other payables

	2023/24	2022/23
	DKK'000	DKK'000
VAT and duties	3,281	4,071
Wages and salaries, personal income taxes, social security costs, etc. payable	441	420
Holiday pay obligation	1,854	1,862
Other costs payable	1,484	5,535
	7,060	11,888

17 Unrecognised rental and lease commitments

	2023/24	2022/23
	DKK'000	DKK'000
Total liabilities under rental or lease agreements until maturity	15,495	7,852

18 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Daisy 2015 Management ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating 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.

19 Related parties with controlling interest

Daisy 2015 Management ApS owns all shares in Masai Clothing Company ApS, thus exercising control (immediate parent)

Daisy 2015 Debtco Limited owns all shares in Daisy 2015 Management ApS, thus exercising control

Daisy 2015 Holdco Limited owns all shares in Daisy 2015 Debtco Limited, thus exercising control

Daisy 2015 Midco Limited owns all shares in Daisy 2015 Holdco Limited, thus exercising control

Daisy 2017 Loanco Limited owns all shares in Daisy 2015 Midco Limited, thus exercising control

Daisy 2015 Topco Limited owns all the shares in Daisy 2017 Loanco Limited, thus ultimate exercising control (ultimate parent)

20 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

There have been minor adjustments made to the comparison figures. These adjustments do not affect the result or net asset.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The uniting-of-interests method is applied on acquisition of enterprises, mergers, demergers, contributions of assets and exchanges of shares, etc. in which the enterprises concerned are controlled by the Parent, under which method the combination is considered completed at the date of acquisition without restatement of comparative figures. Under the uniting-of-interests method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies and accounting estimates. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity.

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Writedowns of current assets exceeding normal writedowns

Writedowns of current assets exceeding normal writedowns are those on inventories, receivables and other current assets that differ from normal writedowns of these items.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Goodwill**

Goodwill comprises the Company's purchase of stores and leases. Goodwill is initially measured at cost less accumulated amortisation. Amortisation is made on a straight-line basis over the expected useful life of up to ten years in relation to the lease contract.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc comprise purchased software.

Intellectual property rights acquired are measured at cost less accumulated amortisation. The amortisation period is five years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Inventories

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

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

If goods are sold on approval, a provision is made for the mark-up on the goods estimated to be returned as well as any expenses related to the returns.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.