

DK Company Online A/S

La Cours Vej 6, 7430 Ikast

CVR no 19 77 86 49

Annual Report

2024

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 16 May 2025.

Søren Lauritsen

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COMPANY INFORMATION

Company	DK Company Online A/S La Cours Vej 6 DK-7430 Ikast Telephone: 70 12 40 40 CVR no. 19 77 86 49 Founded: 3 September 1996 Registered office: Ikast-Brandeborg Municipality Financial year: 1 January - 31 December
Board of Directors	Søren Skovdal Lauritsen, Chairman Jens Poulsen Jens Obel Jørgensen Marianne Tochtermann
Executive Board	Jens Poulsen
Subsidiaries	DK Company Online AB, Sweden DK Company Online AG, Switzerland DK Company Online AS, Norway DK Company Online B.V., Netherlands DK Company Online GmbH, Germany
Audit	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Jens Chr. Skous Vej 1 DK-8000 Aarhus
Bankers	Jyske Bank A/S Vestergade 8-16 DK-8600 Silkeborg

FINANCIAL HIGHLIGHTS

Amounts in DKK '000	2024	2023	2022	2021	2020
Income Statement					
Revenue	1,068,512	707,945	419,542	326,161	293,749
Gross profit	83,991	60,114	88,839	60,534	95,331
Profit/loss before financial income and expenses	22,231	15,102	62,758	29,967	65,059
Financial income and expenses, net amounts	2,928	1,201	19,223	14,161	9,350
Profit/loss for the year	21,010	13,269	72,166	47,720	75,859
Balance Sheet					
Total assets	267,666	294,279	208,244	160,832	130,697
Equity	90,687	94,620	136,413	119,776	102,157
Investments in property, plant and equipment	365	0	0	0	0
Employees					
Average number of employees	18	22	30	30	26
Financial Ratios					
Solvency ratio	34%	32%	66%	74%	78%
Return on equity	23%	11%	56%	43%	118%

The financial highlights have been calculated in accordance with the recommendations issued by the Danish Society of Financial Analysts. The financial ratios stated in the selected financial highlights have been calculated as follows:

Solvency ratio (%)	=	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity (%)	=	$\frac{\text{Profit/Loss after tax} \times 100}{\text{Average equity}}$

MANAGEMENT'S STATEMENT

The Executive Board and the Board of Directors have today considered and adopted the Annual Report of DK Company Online A/S for the financial year 1 January - 31 December 2024.

The Annual Report was prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Annual Report gives a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company operations for the financial year 1 January - 31 December 2024.

Moreover, in our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company.

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

Ikast, 16 May 2025

Executive Board

Jens Poulsen

Board of Directors

Søren Skovdal Lauritsen
Chairman

Jens Poulsen

Jens Obel Jørgensen

Marianne Tochtermann

INDEPENDENT AUDITOR'S REPORT

To the shareholders of DK Company Online A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company 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.

We have audited the Financial Statements of DK Company Online A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

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

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.

INDEPENDENT AUDITOR'S REPORT

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion 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.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the Financial Statements. We are responsible for the direction, supervision and review of the audit work performed. 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.

Aarhus, 16 May 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR no 33 77 12 31

Henrik Berring Rasmussen
State Authorised Public Accountant
mne34157

Christine Tveteraas
State Authorised Public Accountant
mne34341

MANAGEMENT'S REVIEW

Main activity

The Company's activity consists in the purchase and sale of goods for resale in the textile industry.

Development in activities and financial position

The turnover for the year reaches DKK 1,068.5 million compared to last year DKK 707.9 million.

Profit for the year totals DKK 21.0 million compared to last year DKK 13.3 million, and the balance sheet of the Company shows equity of DKK 90.7 million compared to DKK 94.6 million last year.

Profit for the year is considered highly satisfactory and almost in line with the forecasts for 2024.

Special risks

In Management's opinion, the Company is not affected by any special risks apart from those generally existing in the line of business.

Outlook

The forecasts for 2025 show a positive profit between DKK 25 million and DKK 30 million.

Subsequent events

No events have occurred after the balance sheet date which materially affect the assessment of the Annual Report.

Environmental aspects

According to section 99(1) of the Danish Financial Statements Act, no separate statutory report has been made on the Company's impact on the external environment and measures to prevent, reduce or remedy any damage to the environment for DK Company Online A/S, covering the reporting period 1 January to 31 December 2024, as this information is provided for the Group as a whole in the Consolidated Financial Statements of DK Company A/S in the CSR section. Reference is also made to the information provided under CSR on the Group's website:

[www.dkcompany.com -https://www.dkcompany.com/en-en/csr/responsibility-report](https://www.dkcompany.com/en-en/csr/responsibility-report).

Corporate social responsibility

According to section 99a of the Danish Financial Statements Act, no separate statutory report has been made on corporate social responsibility for DK Company Online A/S, covering the reporting period 1 January to 31 December 2024, as such information is provided for the Group as a whole in the Responsibility Report for 2024. The information is provided under CSR on the Group's website:

[www.dkcompany.com -https://www.dkcompany.com/en-en/csr/responsibility-report](https://www.dkcompany.com/en-en/csr/responsibility-report).

MANAGEMENT'S REVIEW

Targets and policies on the under-represented gender

The policy aims for a balanced staff composition with equal access and opportunities for all DK Company Online A/S employees. This is primarily encouraged through employment and promotion practice and policy, which focuses on equal access and advancement opportunities for all talented and dedicated employees regardless of gender. In practice, gender diversity is included in the hiring process for all management levels equally to experience, background and other relevant skills.

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Supreme governing body:			
Total number of members	4	4	4
Percentage of under-represented gender	25%	25%	25%
Target percentage	30%	20%	20%
Target year	2030	2027	2027
Other management levels:			
Total number of members	2	3	4
Percentage of under-represented gender	50%	33%	25%
Target percentage	40%	40%	40%
Target year	2025	2025	2,025

The supreme governing body in DK Company Online A/S are recruited from the ownership group. The board is composed of the owners in relation to professional competences, the geographical location of the businesses, size and the number of businesses the cooperative has, so that there is the greatest possible diversity. In addition, the aim is to achieve a gender distribution on the company's supreme governing body corresponding to the representation of the genders in the ownership group. Since the board consists of the owners the opportunities for representation of the under-represented gender are limited. In 2024 we reached the target of 25% representation by the under-represented gender.

To work towards achieving the goal of increasing the number of the underrepresented gender on other management levels board, DK Company Online A/S focuses on following the policy, when there is to be a replacement. Active work has been done in 2024 with the policy through employment and promotion practices, to increase the share of the underrepresented gender in the coming years, to reach the targets by 2025.

Data ethics

According to section 99d of the Danish Financial Statements Act, no separate policy has been made for DK Company Online A/S as such information is provided for the Group as a whole. The information is provided under CSR on the Group's website: www.dkcompany.com - <https://www.dkcompany.com/en-en/corporate-governance-policies/data-ethics>.

ACCOUNTING POLICIES

The 2024 Annual Report of DK Company Online A/S has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class C (large enterprises). The accounting policies remain unchanged compared to last year.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The Company is included in the Consolidated Financial Statements of DK Company A/S, available on the Group's website: www.dkcompany.com under About us / Financial Information. ([DK Company Financial Information](#))

With reference to the Danish Financial Statements act's true and fair view, The Company has made few reclassifications in the income statement and balance sheet.

Recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. Moreover, all expenses incurred are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts previously 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 below for each item.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the accumulated amortisation of any difference between cost and the nominal amount. Capital losses and gains are thus allocated over the terms of the asset or liability.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Financial Statements which concern affairs and conditions existing at the balance sheet date.

The annual report is presented in Danish kroner (DKK), which is also the functional currency of the Company. All other currencies are regarded as foreign currencies.

Translation policies

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in the income statement. If foreign exchange positions are considered hedges of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items denominated in foreign currency which have not been settled at the balance sheet date are translated at the closing rate. Any differences between the exchange rates at the balance sheet date and the rates at the dates when the receivables or the payables arose or at which they were recognised in the latest financial statements are recognised in the income statement.

Intangible assets and property, plant and equipment purchased in foreign currencies are translated at the exchange rates at the dates of transaction.

ACCOUNTING POLICIES

If the foreign group enterprises meet the criteria for legal entities, the income statements are converted at an average exchange rate for the month, and the balance sheet items are translated at the exchange rates on the balance sheet date. Currency translation differences arising on the translation of the opening equity of foreign group enterprises at the exchange rates on the balance sheet date and on the translation of income statements from average exchange rates to the exchange rates on the balance sheet date are recognised directly in equity.

INCOME STATEMENT

Revenue

The Company has decided to apply IFRS 15 as interpretation for the recognition of revenue.

The Company's revenue stems from the sale of goods for resale in the textile industry. Revenue is recognised when control of the individually identifiable performance obligation set out in the sales agreement passes to the customer, which according to the terms of sale occurs at the time of delivery.

The Company's sales agreements are divided into individually identifiable performance obligations, which are recognised and measured separately at fair value. Although sales agreements for the sale of goods for resale often set out multiple performance obligations, such obligations are treated as a single performance obligation owing to their concurrent delivery. If a sales agreement contains multiple performance obligations, the total sales value of the sales agreement is allocated proportionally to its individual performance obligations.

Recognised revenue is measured at the fair value of the consideration agreed, exclusive of VAT, charges, etc. collected on behalf of third parties. All types of discounts granted are recognised in revenue. Exchange differences in receivables from the sale of goods and services in foreign currencies are recognised in revenue. Fair value corresponds to the price agreed discounted to net present value, where the terms of payment exceed 12 months.

The part of total consideration that is variable, for example in the form of discounts, bonus payments, etc., is only recognised in revenue when it is reasonably certain that there will be no reversal thereof in subsequent periods. This also applies to the goods that are expected to be returned by fulfilling the Company's return obligations based on historical experience on actual return percentages and product mix. Customers are typically entitled to return online purchases within two weeks, but when returning Christmas presents purchased between 1 November and 23 December, they have 14-90 days.

Costs off goods for resale

Costs off goods for resale include expenses incurred to generate revenue for the year. Costs off goods for resale is recognised in line with revenue. This year's change in inventories is included in cost off goods for resale. Exchange differences relating to suppliers of goods and services in foreign currencies are recognised in costs off goods for resale.

Other external expenses

Other external expenses include expenses for distribution and advertising, sale, administration, premises, losses on trade receivables and rental expenses under operating leases.

Staff costs

Staff costs include salaries, considerations, pensions and other staff costs related to the Company's employees.

ACCOUNTING POLICIES

Depreciation, amortisation and impairment losses on intangible assets as well as property, plant and equipment

Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets include depreciation of property, plant and equipment and amortisation of intangible assets, as well as impairment losses for the year as a result of impairment.

Other operating income and operating expenses

Other operating income and expenses comprise income and expenses of a secondary nature to the activities of the Company, including gains or losses from current sale and replacement of intangible assets and property, plant and equipment. Gains or losses from the disposal of intangible assets and property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the time of disposal.

Income in the form of compensation received from public authorities

Compensation received from public authorities is recognised in other operating income in line with the costs associated with the compensation, once the Company has obtained final commitment from the compensation provider, it is likely that the Company will meet the conditions attached to the compensation and it is highly likely that the compensation will not have to be repaid.

Share of profit/loss after tax in group enterprises

According to the equity method, a proportion of profit or loss after tax in the underlying enterprises is to be recognised in the income statement. Shares of profit or loss after tax in subsidiaries and group enterprises are presented in the income statement as separate line items. Full elimination of intra-group profit/loss is made for investments in subsidiaries. For investments in group enterprises, only a proportionate elimination of intra-group profit/loss is made.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, the interest element of finance lease payments, realised and unrealised capital gains and losses in respect of securities, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as interest charges and interest reimbursement under the on-account taxation scheme. Financial items are recognised at the amounts relating to the financial year.

Tax on profit/loss for the year

The Company is jointly taxed with the Jens Poulsen Holding ApS. The current Danish corporation tax is allocated to the jointly taxed companies in proportion to their taxable incomes. The jointly taxed Danish enterprises are included in the on-account taxation scheme.

Tax for the year consists of current tax for the year and any 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 assets

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Straight-line amortisation is made over the estimated useful life of each asset, which is assessed as follows:

Software	3 years
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Gains or losses from the disposal of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the time of disposal. Profit or losses are recognised in the income statement under other operating income and other operating expenses, respectively.

ACCOUNTING POLICIES

Property, plant and equipment

Lands, buildings and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition as well as expenses directly related to the acquisition up until the time when the asset is ready for use.

Where parts of an item of property, plant and equipment have different useful lives, they are depreciated as separate items of property, plant and equipment.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which are:

Buildings	20-30 years
Other fixtures and fittings, tools and equipment	3-5 years

The basis of depreciation is cost less estimated residual value at the end of the useful life and reduced by any impairment loss. The depreciation period and the residual value are determined at the date of acquisition and are reassessed annually. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

If the period of depreciation or the residual value changes, the effect on depreciation is recognised prospectively as a change in the accounting estimate.

Gains or losses from the disposal of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the time of disposal. Profit or losses are recognised in the income statement under other operating income and other operating expenses, respectively.

Leases

The Company has chosen IAS 17 as interpretation for the classification and recognition of leases.

Leases in respect of assets in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are initially recognised in the balance sheet at the lower of the assets' fair value and the net present value of the future minimum lease payments. When computing the net present value, the interest rate implicit in the lease or the alternative borrowing rate is applied as the discount rate. After that, assets acquired under finance leases are treated in the same way as the other assets of the Company.

The capitalised lease obligation is recognised in the balance sheet under debt, and the interest element of the lease payment is charged over the lease term to the income statement under finance costs. After initial recognition, lease obligations are measured at amortised cost.

All other leases are considered operating leases. Payments made under operating leases and other rental agreements are recognised in the income statement over the lease term. The Company's total liability relating to operating leases and rental agreements is disclosed under contingent assets and liabilities, etc.

Other non-current assets

Investments in group enterprises

Investments in group enterprises are measured according to the equity method. The Company has chosen the equity method as its measurement method.

Cost is adjusted for shares of profit or loss after tax deducting or adding unrealised intra-group profits and losses.

Dividends received are deducted from the carrying amount.

ACCOUNTING POLICIES

Investments in group enterprises that are measured at equity value are subject to impairment tests in case of indication of impairment.

On divestment of group enterprises in which control is no longer maintained, profits or losses are determined as the difference between the net selling price on the one hand and the proportion of the carrying amount of net assets on the other. Gains or losses are recognised in the income statement under financial income and expenses, net. If the enterprise continues to hold investments in the divested group enterprise, the remaining proportion of the carrying amount forms the basis for measurement of investments in group enterprises.

Impairment of non-current assets

The carrying amounts of intangible assets and property, plant and equipment as well as investments in group enterprises are assessed annually to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

In the event of indications of impairment, an impairment test is carried out of each individual asset or group of assets. Write-down is made to the lower of the recoverable amount or carrying amount.

The recoverable amount used is the higher of net selling price and value in use. The value in use is calculated as the net present value of the expected net cash flows from the use of the asset or asset group and expected net cash flows on the disposal of the asset or asset group on expiry of the useful life.

Previously recognised impairment losses are reversed when the basis for the impairment loss no longer exists. An impairment loss in respect of goodwill is not reversed.

Inventories

Inventories are measured at cost under the FIFO method. If the net realisable value of inventories is lower than cost, write-down is made to this lower value.

The cost of inventories equals landed cost.

The net realisable value of inventories is calculated as the selling price less costs of completion and costs incurred to execute sales. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for the write-down of financial receivables.

Write-down to net realisable value is made for estimated bad debts. Assessment of write-downs for estimated bad debt is carried out at both individual and portfolio level using a provisions account.

Prepayments

Prepayments that are recognised under assets include expenses related to subsequent reporting periods.

Equity – reserve for net revaluation under the equity method

Reserve for net revaluation under the equity method includes net revaluation of investments in group enterprises relative to cost.

The reserve may be eliminated in case of loss, realisation of investments or changes in accounting estimates.

This reserve cannot be recognised at a negative amount.

ACCOUNTING POLICIES

Equity – reserve for development costs

Reserve for development costs includes recognised development costs. The reserve cannot be used for dividends or payment of loss. If the recognised development costs are amortised or withdrawn from the Company's operations, the reserve will be reduced or dissolved. This is done by direct transfer to the distributable reserves of equity.

Equity - dividend

Dividend expected to be paid for the year is disclosed as a separate equity item. Proposed dividend is recognised as a liability when a resolution approving the dividend has been adopted by the general meeting (the time of declaration).

Corporation tax and deferred tax

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

Deferred tax is measured under the balance sheet liability method on the basis of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, no deferred tax is recognised on temporary differences relating to goodwill not deductible for tax purposes, or other items where temporary differences – except in the case of business acquisitions – have arisen at the date of acquisition and affect neither the net profit for the year nor the taxable income. In cases where the computation of the tax base may be made according to different tax rules, deferred tax is measured on the basis of Management's intended use of the asset and settlement of the liability, respectively. Deferred tax assets as well as deferred tax liabilities are recognised.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised at the value at which they are expected to be utilised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax is adjusted for eliminations of unrealised intra-group gains and losses.

Deferred tax is measured on the basis of the tax rules and tax rates of the respective countries 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.

Liabilities

Financial liabilities are initially measured at fair value less any transaction costs. In subsequent periods, the liabilities are measured at amortised cost using "the effective interest method" so that the difference between the proceeds and the nominal value is recognised in the income statement as financial expenses over the loan term.

Other liabilities are measured at net realisable value.

Other provisions

Other provisions liabilities cover return obligations concerning goods that are expected to be returned based on historical experience on actual return percentages and product mix. Return obligations are measured as the sales price of the underlying items.

ACCOUNTING POLICIES

OTHER DISCLOSURES

Cash flow statement

According to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared for the Company as such statement is included in the cash flow statement for the Group as a whole in the Consolidated Financial Statements of DK Company A/S.

Fee to auditors appointed at the Annual General Meeting

According to section 96(3) of the Danish Financial Statements Act, the fee to the auditors appointed at the Annual General Meeting has not been disclosed as such information is disclosed for the Group as a whole in the Consolidated Financial Statements of DK Company A/S.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

<u>Note</u>	<u>2024</u>	<u>2023</u>
1 Revenue	1,068,511,870	707,944,908
Costs of goods for resale	-635,734,255	-434,009,733
Other external expenses	-348,787,014	-213,820,695
Gross profit	83,990,601	60,114,480
2 Staff costs	-8,972,667	-11,501,226
Depreciation, amortisation and impairment losses on intangible assets as well as property, plant and equipment	-77,934	-98,914
3 Other operating expenses	-52,709,091	-33,412,194
Profit/loss before financial income and expenses	22,230,909	15,102,146
8 Share of profit/loss after tax in group enterprises	4,297,810	3,090,802
4 Financial income	2,873,159	756,839
4 Financial expenses	-4,243,286	-2,646,878
Financial income and expenses, net amounts	2,927,683	1,200,763
Profit/loss before tax	25,158,592	16,302,909
5 Tax on profit/loss for the year	-4,148,462	-3,033,626
PROFIT/LOSS FOR THE YEAR	21,010,130	13,269,283

BALANCE SHEET

Note	31/12 2024	31/12 2023
ASSETS		
NON-CURRENT ASSETS		
Software	0	0
6 Intangible assets	0	0
Lands and buildings	6,303,196	6,016,130
Other fixtures and fittings, tools and equipment	0	0
7 Property, plant and equipment	6,303,196	6,016,130
8 Investments in group enterprises	22,734,098	38,921,673
9 Deferred tax assets	6,218,000	6,032,000
Other non-current assets	28,952,098	44,953,673
NON-CURRENT ASSETS	35,255,294	50,969,803
CURRENT ASSETS		
Goods for resale	150,856,708	81,058,870
Goods in transit	84,268	193,575
Inventories	150,940,976	81,252,445
Trade receivables	10,313,022	108,926,232
Receivables from group enterprises	26,635,360	8,185,994
Other receivables	40,885,175	39,533,632
Prepayments	1,823,380	4,452,257
Receivables	79,656,937	161,098,115
Cash	1,812,738	958,273
CURRENT ASSETS	232,410,651	243,308,833
TOTAL ASSETS	267,665,945	294,278,636

BALANCE SHEET

Note	31/12 2024	31/12 2023
EQUITY AND LIABILITIES		
EQUITY		
10 Share capital	26,500,000	26,500,000
Reserve for net revaluation under the equity method	19,233,660	35,421,235
Retained earnings	9,952,999	7,698,559
Proposed dividend	35,000,000	25,000,000
EQUITY	90,686,659	94,619,794
 CURRENT LIABILITIES		
11 Other provisions	23,519,988	20,412,416
Trade payables	46,642,517	37,725,827
Payables to group enterprises	58,272,106	108,510,461
Corporation tax	4,334,462	4,971,626
Other payables	44,210,213	28,038,512
CURRENT LIABILITIES	176,979,286	199,658,842
 LIABILITIES	 176,979,286	 199,658,842
 TOTAL EQUITY AND LIABILITIES	 267,665,945	 294,278,636
12 Contingent assets and liabilities		
13 Security		
14 Related parties		
15 Distribution of profit		

STATEMENT OF CHANGES IN EQUITY

	2024	2023
Share capital at 1 January	26,500,000	26,500,000
Share capital at 31 December	26,500,000	26,500,000
Reserve for net revaluation under the equity method at 1 January	35,421,235	32,393,160
Exchange adjustments	32,652	-62,727
Transferred from distribution of net profit	-16,220,227	3,090,802
Reserve for net revaluation under the equity method at 31 December	19,233,660	35,421,235
Retained earnings at 1 January	7,698,559	22,520,078
Change in equity in group enterprises	24,083	0
Transferred from distribution of net profit	2,230,357	-14,821,519
Retained earnings at 31 December	9,952,999	7,698,559
Proposed dividend at 1 January	25,000,000	55,000,000
Dividend	-25,000,000	-55,000,000
Transferred from distribution of net profit	35,000,000	25,000,000
Proposed dividend at 31 December	35,000,000	25,000,000
Equity at 31 December	90,686,659	94,619,794

NOTES

<u>Note</u>	<u>2024</u>	<u>2023</u>
1 REVENUE		
By geography		
Denmark	130,244,865	116,757,986
Norway	48,498,252	33,725,870
Germany	365,386,021	250,866,472
Sweden	85,975,717	60,197,427
Benelux	158,134,126	102,153,902
France	29,987,262	16,146,329
UK	14,294,086	1,723,380
Switzerland	151,819,425	99,927,109
Other markets in Europe	82,682,050	23,939,881
Other markets outside Europe	1,490,066	2,506,552
	<u>1,068,511,870</u>	<u>707,944,908</u>
2 STAFF COSTS		
Wages and salaries	8,103,587	10,421,690
Pensions	769,706	900,990
Other social security expenses	99,374	178,546
	<u>8,972,667</u>	<u>11,501,226</u>
In accordance with section 98b(3) of the Danish Financial Statements Act, no disclosure is made as to management remuneration as the information covers only one member.		
Average number of employees	<u>18</u>	<u>22</u>
3 OTHER OPERATING EXPENSES		
Administrations fees	52,709,091	33,412,194
	<u>52,709,091</u>	<u>33,412,194</u>
4 FINANCIAL INCOME AND EXPENSES		
Interest income from group enterprises constitutes DKK 497k of financial income compared to DKK 755.7k in 2023.		
Interest expenses from group enterprises constitutes DKK 3.6m of financial expenses compared to DKK 2m in 2023.		
5 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	4,334,462	4,971,626
Change in deferred tax for the year	-186,000	-1,938,000
	<u>4,148,462</u>	<u>3,033,626</u>

NOTES

Note

6 INTANGIBLE ASSETS

	Software
Cost at 1 January 2024	12,995,976
Cost at 31 December 2024	12,995,976
Amortisation and impairment losses at 1 January 2024	12,995,976
Amortisation and impairment losses at 31 December 2024	12,995,976
Carrying amount at 31 December 2024	0

7 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Other fixtures and fittings, tools and equipment
Cost at 1 January 2024	40,381,856	2,277,122
Additions at cost	365,000	0
Cost at 31 December 2024	40,746,856	2,277,122
Depreciation and impairment losses at 1 January 2024	34,365,726	2,277,122
Depreciation for the year	77,934	0
Depreciation and impairment losses at 31 December 2024	34,443,660	2,277,122
Carrying amount at 31 December 2024	6,303,196	0

NOTES

Note

8 INVESTMENTS IN GROUP ENTERPRISES

Cost at 1 January 2024	3,500,438
Cost at 31 December 2024	3,500,438
Value adjustments at 1 January 2024	35,421,235
Exchange adjustments from translation of foreign entities	32,652
Share of profit/loss for the year	4,297,810
Change in equity in group enterprises	24,083
Distribution from group enterprises	-20,542,120
Value adjustments at 31 December 2024	19,233,660
 Carrying amount at 31 December 2024	 22,734,098

Group enterprises are specified as follows:

	DK Company Online A/S' share	
	Profit or loss	Equity
DK Company Online AB, Billdal, Sweden	611,663	1,549,996
DK Company Online AG, Baar, Switzerland	480,638	568,014
DK Company Online AS, Tønsberg, Norway	920,262	2,015,725
DK Company Online B.V., Amsterdam, Netherlands	1,003,641	2,778,867
DK Company Online GmbH, Hamburg, Germany	1,281,606	15,821,496
	4,297,810	22,734,098

NOTES

Note	2024	2023
9 DEFERRED TAX		
Deferred tax at 1 January	6,032,000	4,094,000
Deferred tax for the year recognised in profit/loss for the year	186,000	1,938,000
Deferred tax at 31 December	6,218,000	6,032,000
Deferred tax is recognised as follows in the balance sheet:		
Deferred tax assets	6,218,000	6,032,000
	6,218,000	6,032,000
Deferred tax relates to:		
Property, plant and equipment	1,044,000	1,541,000
Other liabilities	5,174,000	4,491,000
	6,218,000	6,032,000

The Company has prepared an impairment test of deferred tax assets which shows that the losses will with reasonable certainty/probability be realised in the foreseeable future (within five years), and thus the requirement of convincing evidence for the recognition of deferred tax assets is considered met.

Provision for deferred tax is made at the tax rate at which temporary differences are expected realised on the basis of the adopted corporation tax rate of 22%.

10 SHARE CAPITAL

The share capital consists of 26,500 shares of DKK 1,000 each or multiples thereof. The capital is not divided into classes.

The share capital has changed as follows:

Share capital at formation on 2 September 1996	1,000,000
Cash capital increase 30 May 2001	9,000,000
Cash capital increase 19 december 2002	1,000,000
Cash capital increase 19 May 2016	15,500,000
	26,500,000

NOTES

Note	31/12 2024	31/12 2023
11 OTHER PROVISIONS		
Refund liability provision at 1 January	20,412,416	12,344,757
Used in the year	-20,412,416	-12,344,757
Provisions for the year	23,519,988	20,412,416
Refund liability provision at 31 December	23,519,988	20,412,416
Expected maturity of refund liability provisions		
0-1 year	23,519,988	20,412,416
After 5 years	0	0
	23,519,988	20,412,416

12 CONTINGENT ASSETS AND LIABILITIES

Contingent liabilities

The Company has entered into operating leases; as a result, total lease liabilities constitute DKK 29m and DKK 14.2m in 2023.

The Company is jointly taxed with its parent Jens Poulsen Holding ApS as an administration company and is jointly and severally liable with other jointly taxed companies for payment of corporation tax as from the accounting period of 2015, as well as for withholding tax on interest, royalties and dividends falling due on or after 1 July 2014.

NOTES

Note

13 SECURITY

The Company has provided surety as security for the balances with banks of DK Company Cph A/S, DK Company Vejle A/S, DK Company Retail A/S and the parent DK Company A/S.

The Company's total warranty commitments amount to DKK 2.8 million and DKK 2.9 million in 2023.

14 RELATED PARTIES

Controlling interest

DK Company A/S, La Cours Vej 6, 7430 Ikast (CVR-nr. 24 43 11 18) (Majority owner).

Ultimate parent

Jens Poulsen Holding ApS, La Cours Vej 6, 7430 Ikast, Denmark (CVR no. 20 67 66 71).

The ultimate parent is domiciled in the Municipality of Ikast-Brande.

Related party transactions

During the financial year, the Company's related party transactions were solely carried out on an arm's length basis.

The Company is included in the Consolidated Financial Statements of DK Company A/S, Ikast-Brande and in Jens Poulsen Holding ApS, Ikast-Brande as the ultimate parent.

15 DISTRIBUTION OF NET PROFIT

	<u>2024</u>	<u>2023</u>
Proposal for distribution of net profit		
Retained earnings	2,230,357	-14,821,519
Reserve for net revaluation under the equity method	-16,220,227	3,090,802
Proposed dividend for the year	<u>35,000,000</u>	<u>25,000,000</u>
	<u>21,010,130</u>	<u>13,269,283</u>