

Deichmann-Sko ApS

Vesterbrogade 6D, 1.
1620 Copenhagen

CVR No. 27278388

Annual report 2024

1 January 2024 - 31 December 2024

Adopted at the Annual General Meeting on 25
February 2025



Mikkel Schiøler Vinum Linck
Chairman

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Company details

Company

Deichmann-Sko ApS
Vesterbrogade 6D, 1.
1620 Copenhagen

CVR No.: 27278388

Executive board

Martin Fischer
Mikkel Schiøler Vinum Linck
Thomas Christensen

Auditors

inforevision
statsautoriseret revisionsaktieselskab
Buddingevej 312
2860 Søborg
CVR No. 19263096

Michael Dam-Johansen, state-authorized public accountant

Financial highlights

	2024	2023	2022	2021	2020
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Income statement					
Gross profit/loss	64,723	60,394	68,256	70,230	46,279
EBITDA	1,408	-3,259	3,905	19,212	0
EBIT	-2,593	-10,850	-2,531	12,149	-9,273
Net financials	47	41	-79	-104	-143
Profit/loss for the year	-3,657	-8,551	-1,932	9,395	-7,345
Balance sheet					
Total assets	81,644	85,818	98,158	112,583	105,398
Invested capital	36,635	27,400	40,617	16,869	23,256
Equity	59,519	63,177	71,728	88,660	79,264
Cash flows					
Cash flow from operating activities	-5,996	6,732	-6,978	18,703	664
Cash flow from investing activities	-8,601	-9,899	-8,789	-1,962	-8,756
Cash flow from financing activities	1,819	6,053	-21,980	0	0
Cash flows for the year	-12,778	2,886	-37,747	16,741	-8,092
 Average number of full-time employee	 138	 136	 144	 144	 144
Ratios					
Return on invested capital (%)	-8,1%	-31,9%	-8,8%	60,6%	-41,0%
Liquidity ratio	2.7	3.1	2.9	3.9	0.0
Solvency ratio (%)	72,9%	73,6%	73,1%	78,8%	75,0%
Return on equity (%)	-6,0%	-12,7%	-2,4%	11,2%	-9,0%
NIBD/EBITDA	-8.7	0.0	-5.9	-3.2	0.0

Key figures and ratios are defined and calculated in accordance with the Danish Finance Society's online version of "Recommendations & Ratios". Please refer to definitions in the section on accounting policies.

Management's Review

Primary activities

The company's primary activities were sale of shoes, shoe articles, textiles and related activities.

Development in activities and finances

Danish Statistical office show a sales index decline from 100% in 2023 to 98% 2024 for the general footwear industry YTD November 2024. The lower spending from consumers combined with general challenges in Deichmann supply chain i.e. not enough shoes in the right seasons, due to both internal and external factors, impacted the planned sales negatively. Seasonal weather conditions were more difficult to predict than earlier and impacted on the planned sales periods, which led to more work and lower sales. The company managed to lower the total stock levels during the year and continued to focus on minimizing the overall costs.

The company opened 2 new stores in 2024 and invested in 2 store renovations to secure its market position for the future. COVID19 compensation packages from the Danish Commercial Agency were finalized in 2024, so no open issues remain from the previous lockdown periods.

The company ends with a financial net loss of 3,7 M DKK for 2024, which the management does not consider satisfactory.

Outlook

Deichmann continues its 23rd year in the Danish shoe market with an updated new product range and ongoing roll-out of the group's vision "The company must serve the people". The new store concept is continued with renovations of existing stores for the benefit of customers, employees, and partners.

With a continued ambition to be the customers' first choice, when buying quality shoes for the whole family at the right prices, Deichmann has updated the collection immense for 2025 with more known brands, and even higher quality to meet the demands of the Danish consumer, and with further investments in optimizing the digital platform for the online store, the company expects a positive result for 2025 at the level of 2019 result.

Environmental affairs

The company continues actively to work on various environmental measures to reduce CO2 emissions in stores and headquarters and will secure the necessary resources to be compliant with the new EU environmental standards and requirements e.g. New Packaging Law, CSRD directive, Taxonomy etc. in close corporation with the ESG Governance department etc. in the Deichmann Group.

Statement by Management

The Executive Board have today considered and adopted the annual report for 1 January 2024 - 31 December 2024 for Deichmann-Sko ApS.

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 the company's financial position at 31 December 2024 and of the results of its operations and cash flows for the financial year 1 January 2024 - 31 December 2024.

We believe that the Management's review contains a fair review of the affairs and conditions referred to therein.

We recommend that the annual report be adopted at the Annual General Meeting.

Copenhagen, 25 February 2025

Executive board



Martin Fischer
Executive director



Mikkel Schiøler Vinum Linck
Executive director



Thomas Christensen
Executive director

Independent auditor's report

To the shareholder in Deichmann-Sko ApS

Opinion

We have audited the financial statements of Deichmann-Sko ApS for the financial year 1 January 2024 - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity, statement of cash flows and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position as at 31 December 2024 and of the results of the company's operations and cash flows for the financial year 1 January 2024 - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the company in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 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, for disclosing, as applicable, matters related to going concern, and for 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 judgement 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report, continued

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on 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 Financials 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.

Søborg, 25 February 2025

inforevision
Statsautoriseret revisionsaktieselskab
CVR No. 19263096



Michael Dam-Johansen
State-authorized public accountant
mne36161

Accounting policies

Information on reporting class

The annual report has been prepared in accordance with Danish financial statement legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing Reporting class C, (medium-sized enterprises).

The accounting policies have not been changed from last year.

Adjustment of previous years errors and changes in comparative figures

Long term "Other payables" has been reclassified as "Deferred income". The adjustment is recognised in the comparative figures

The change results in DKK 4,002,072 being reclassified.

The effect of the correction does not affect equity at the beginning of the year.

The above change has not resulted in a change in the result for the financial year, net equity or balance sheet total.

Generally regarding recognition and measurement

The financial statements have been prepared based on historical cost.

The income is 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.

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 cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the annual report which confirm or invalidate affairs and conditions existing at the balance sheet date.

The functional currency is Danish Kroner. All other currencies are considered foreign currencies.

Accounting policies, continued

Foreign currency translation

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses.

Accounting policies, continued

Income statement

The income statement has been classified by nature.

Gross profit

Gross profit/loss includes "Revenue", "Cost of sales", "Other operating income" and "External expenses".

Revenue

As income recognition criterion, the completed contract method is applied so that revenue comprises invoiced revenue for the year. Revenue from the sale of goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer before the end of the financial year. Revenue is measured at fair value excl. VAT and less granted goods and customer discounts.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the company's primary activities, including payments received from public authorities, depreciation on received building subsidies, re-invoiced salary costs as well as profit on sale of fixed assets. Payments received from public authorities consist of salary reimbursements and compensations from national subsidy scheme COVID-19.

The company has regularly received grants in connection with the fitting out of new stores, which are amortized over 8 years, corresponding to the depreciation profile of the equivalent tangible fixed asset. The proportionate share of the grant is thus recognized in the income statement under other operating income over the period. Grants are presented under other non-current liabilities.

External expenses

External expenses comprises cost of consumables/goods for resale, sale facility cost and administrative expenses.

Staff costs

Staff costs include wages and salaries including holiday pay and pensions and other social security costs etc. to the company's employees.

Other operating expenses

Other operating expenses comprises expenses of a secondary nature as viewed in relation to the company's primary activities, including losses on sale of fixed assets.

Accounting policies, continued

Financial income

Financial income is recognised with amounts concerning the the financial year. Financial income comprise interest, realised and unrealised exchange gains as well as interest reimbursements under the Danish Tax Prepayment Scheme.

Financial expenses

Financial expenses is recognised with amounts concerning the the financial year. Financial expenses comprise interest, realised and unrealised exchange losses as well as interest surcharge under the Danish Tax Prepayment Scheme.

Tax on profit or loss for the year

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax. Changes in deferred taxes due to adjustments of tax rates is recognised in the income statement.

Tax on profit or loss for the year is recognised in the income statement by the portion attributable to the profit or loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

Accounting policies, continued

Balance sheet

The balance sheet has been presented in account form.

Assets

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulate depreciation. The basis of depreciation is cost less estimated residual value after the end of useful life.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

The cost price for an asset is divided into separate components, that are depreciated separately, if the useful life of the individual components is significantly different.

Depreciation is initiated when the assets are ready to be taken into operation. Assets are depreciated on a straight-line basis over their estimated useful lives with following residual values:

Category	Period	Residual value
Fixtures, fittings, tools and equipment	5-8 years	0%

Minor purchases with useful lives below one year have been recognised as an expense in the income statement in external expenses.

Profit/loss on sale or retirement has been included in the income statement under other operating income and other operating expenses.

The carrying amounts of property, plant and equipment are reviewed annually for indication of impairment for losses, apart from what is expressed by usual depreciation. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount. As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the expected cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognised in the income statement as amortisation, depreciation and impairment for loss of property, plant and equipment and intangible assets.

During the year we have reclassified construction grants from fixed assets and presented them as other payables. Comparative figures have also been restated accordingly.

Other receivables classified as fixed assets

Deposits recognised as fixed assets are measured at amortised cost, which usually corresponds to nominal amount.

Accounting policies, continued

Inventories

Inventories are measured at cost according to the FIFO method. In the event of cost exceeding net realisable value, writedown is made to this lower value.

Cost of goods for resale as well as raw materials and consumables comprises purchase price plus landing costs.

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

Received prepayments from customers regarding non delivered goods are recognised as liabilities.

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Accounting policies, continued

Equity and liabilities

Equity

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

Deferred tax and corporation tax

Deferred tax is measured using the balance sheet liability method. Provision has been made for deferred tax by 22% on all temporary differences between carrying amount and tax-based value of assets and liabilities. Deferred tax is also measured with respect of the planned use of the asset and the settlement of the liability.

The tax value of the tax losses to be carried forward are included in the calculation of deferred taxes if it is probable that the losses can be used. Deferred tax assets are measured at net realisable value.

Deferred tax assets which are not expected utilised within a few years have been disclosed in notes under contingent assets.

Corporation tax relating to the financial year which has not been settled at the balance sheet date is classified as corporation tax in receivables or liabilities other than provisions.

Long-term liabilities other than provisions

Deferred income consist of grants received in connection with store refurbishment and interior maintenance.

Financial debts

Short-term debts are measured at amortised cost, substantially corresponding to nominal value.

Cash flow statement

The cash flow statement shows the company's cash flows broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from acquisitions and divestments are shown separately under cash flows from investing activities. In the cash flow statement, cash flows regarding acquired companies are recognised from the date of acquisition and cash flows from divested companies are recognised until the transfer date.

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for non-cash operating items, financial income and expenses paid, corporation taxes as well as increase and decrease in inventories, trade receivables, trade payables and other changes in assets and liabilities other than provisions deriving from operations.

Cash flows from investing activities comprise payments in the year in connection with acquisition and sale of fixed assets as well as payments in connection with acquisition and divestment of companies.

Cash flows from financing activities comprise payments in the year from inception and repayment of long-term liabilities other than provisions as well as payments made to and received from the shareholder's.

Cash and cash equivalents comprise cash funds.

Accounting policies, continued

Financial highlights

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark. Financial highlights are calculated on basis of the financial statements, and no adjustments nor normalisations for analysis purposes have been made unless expressed in the section of the financial highlights.

The financial highlights are calculated as follows:

Financial highlights		Explanation
Gross margin	=	Gross profit/loss * 100/Revenue
EBIT margin	=	EBIT * 100/Revenue
Return on invested capital	=	EBIT * 100/Average invested capital*
Solvency ratio	=	Equity * 100/Total assets
Return on equity	=	Profit/loss for the year * 100/Average equity

*Invested capital are defined as net working capital with addition of operating intangible assets and Property, plant and equipment and deducted by other provisions.

Income statement

	Note	2024 DKK	2023 DKK
Gross profit		64,722,840	60,393,532
Staff costs	2	-63,277,888	-63,300,647
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		1,444,952	-2,907,115
Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets	3	-4,001,662	-7,590,312
Other operating expenses		-36,462	-352,255
Earnings before interest and taxes (EBIT)		-2,593,172	-10,849,682
Finance income	4	128,280	172,089
Finance expenses	5	-81,300	-131,428
Profit/loss before tax		-2,546,192	-10,809,021
Tax on profit/loss for the year	6	-1,111,072	2,258,060
Profit/loss for the year		-3,657,264	-8,550,961
Special items	1		
Proposed distribution of profit and loss	17		

Assets

	Note	31/12-2024	31/12-2023
		DKK	DKK
Fixtures, fittings, tools and equipment		22,288,653	17,991,177
Property, plant and equipment	7	22,288,653	17,991,177
Deposits		10,111,694	9,764,706
Investments	8	10,111,694	9,764,706
Fixed assets		32,400,347	27,755,883
Inventories		22,750,262	21,617,214
Inventories		22,750,262	21,617,214
Trade receivables		2,583,033	2,410,749
Receivables from group enterprises		904,710	2,463,014
Other receivables		422,230	37,746
Corporation tax receivables	6	561,000	268,000
Deferred tax assets	6	4,057,904	5,168,976
Prepayments	9	4,999,184	353,178
Receivables		13,528,061	10,701,663
Cash at bank and in hand		12,965,761	25,743,565
Current assets		49,244,084	58,062,442
Total assets		81,644,431	85,818,325

Equity and liabilities

	Note	31/12-2024 DKK	31/12-2023 DKK
Contributed capital	10	3,449,000	3,449,000
Retained earnings		56,070,346	59,727,610
Equity		59,519,346	63,176,610
Deferred income		4,010,758	4,002,072
Long-term liabilities other than provisions	11	4,010,758	4,002,072
Short-term part of long-term liabilities other than provisions		754,275	0
Trade payables		8,978,499	4,863,289
Payables to group enterprises		261,175	0
Other payables		8,120,378	13,776,354
Short-term liabilities other than provisions		18,114,327	18,639,643
Liabilities other than provisions		22,125,085	22,641,715
Total equity and liabilities		81,644,431	85,818,325
Contingent assets	12		
Unrecognised contractual commitments	13		
Related parties	14		
Group relations	15		
Adjustments	16		

Statement of changes in equity

	Contributed capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January 2023	3,449,000	68,278,571	71,727,571
Distributed profit/loss for the year		-8,550,961	-8,550,961
Equity at 1 January 2024	3,449,000	59,727,610	63,176,610
Distributed profit/loss for the year		-3,657,264	-3,657,264
Equity at 31 December 2024	3,449,000	56,070,346	59,519,346

Cash flow statement

	Note	2024	2023
Profit/loss for the year		-3,657,264	-8,550,961
Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets		4,001,662	7,590,312
Adjustments	16	1,019,092	-2,786,371
Change in inventories		-1,133,048	9,461,707
Change in trade receivables		-172,284	-158,569
Change in trade payables		4,115,210	-2,549,121
Change in other working capital		-9,923,504	2,791,982
Cash flows from operating activities before financial income and expenses		-5,750,136	5,798,979
Financial income		128,280	172,089
Financial expenses		-81,300	-131,428
Corporation tax paid		-293,000	892,000
Cash flows from operating activities		-5,996,156	6,731,640
Purchase of property, plant and equipment		-8,350,956	-9,450,991
Sale of property, plant and equipment		96,817	881,830
Purchase of financial assets		-615,338	-1,682,960
Sale of financial assets		268,350	353,013
Cash flows from investing activities		-8,601,127	-9,899,108
Changes in intercompany balances with group enterprises, net reduction		1,819,479	6,053,484
Cash flows from financing activities		1,819,479	6,053,484
Changes in cash and cash equivalents in the year		-12,777,804	2,886,016
Cash and cash equivalents at 1 January 2024		25,743,565	22,857,557
Cash and cash equivalents at 31 December 2024		12,965,761	25,743,573
<i>Cash and cash equivalents at 31 December 2024 can be specified as follows:</i>			
Cash at bank and in hand		12,965,761	25,743,573
Cash and cash equivalents at 31 December 2024		12,965,761	25,743,573

Notes

1. Special items

	2024	2023
	DKK	DKK
Compensations, national subsidy scheme COVID-19	2,073,457	0
Salary reimbursements	1,529,377	2,570,402
Amortization, building subsidies	695,996	886,794
Re-invoiced salary costs	8,111,440	8,758,742
Re-invoiced administration costs	1,522,292	0
Total	13,932,562	12,703,588

Special items is included in the income statement in the items "Gross profit".

2. Staff costs

	2024	2023
	DKK	DKK
Wages and salaries	56,380,521	56,589,508
Pensions	4,564,326	4,266,277
Other social security costs	1,023,345	1,010,355
Other staff cost	1,309,696	1,434,507
Total	63,277,888	63,300,647
 Average number of full-time employees	 138	 136
 Remuneration for management categories:		
Executive Board	4,070,000	3,160,000

3. Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets

	2024	2023
	DKK	DKK
Depreciation of property, plant and equipment	4,001,663	7,590,312
Total	4,001,663	7,590,312

Notes, continued

4. Finance income

	2024	2023
	DKK	DKK
Financial income from group enterprises	100,307	134,390
Other financial income	27,973	37,699
I alt	128,280	172,089

5. Finance expenses

	2024	2023
	DKK	DKK
Financial expenses to group enterprises	23,763	54,444
Other financial expenses	57,537	76,984
I alt	81,300	131,428

Notes, continued

6. Tax expense

	Corpora- tion tax	Deferred tax	Tax on profit/loss for the year	2023
	DKK	DKK	DKK	DKK
Payables at 1 January 2024	-268,000	-5,168,976		
Adjustment tax, previous years	0	-316,268	-316,268	0
Paid in respect of previous years	268,000			
Tax on profit/loss for the year	0	1,427,340	1,427,340	-2,258,060
Prepaid tax	-561,000			
Payables at 31 December 2024	-561,000	-4,057,904		
Tax on profit/loss for the year recognised in the income statement			1,111,072	-2,258,060
<i>Recognition in balance sheet:</i>				
Short-term receivables (current asset)	-561,000	-4,057,904		
Total	-561,000	-4,057,904		

Deferred tax is incumbent upon the following assets and liabilities:

	31/12-2024	31/12-2023
	DKK	DKK
Property, plant and equipment	-558,423	-1,388,049
Fixed financial assets and current assets	0	-245,205
Tax losses carried forward	-5,702,962	-3,539,204
Writedowns to net realisable value	2,200,000	0
Deferred tax liability (+)/Deferred tax asset (-)	-4,061,386	-5,172,458

Deferred tax assets are measured at net realisable value and is based on management's best accounting estimate of the use within a period of 3-5 years. Performing the accounting estimate management has specially taken into consideration the accomplished cost reductions in the production, which had a positive effect on the company's performance. On basis of budgets for the coming years, management assesses, the use of the deferred tax assets is realistic.

Notes, continued

7. Property, plant and equipment

	Fixtures, fittings, tools and equipment	Total	2023
	DKK	DKK	DKK
Cost at 1 January 2024	103,993,024	103,993,024	97,420,455
Additions for the year	8,350,956	8,350,956	9,450,991
Disposals for the year	-4,165,715	-4,165,715	-2,878,422
Cost at 31 December 2024	108,178,265	108,178,265	103,993,024
Depreciation and impairment losses at 1 January 2024	-86,001,847	-86,001,847	-80,895,777
Depreciation for the year	-4,001,663	-4,001,663	-7,590,312
Reversal regarding disposals for the year	4,113,898	4,113,898	2,484,242
Depreciation and impairment losses at 31 December 2024	-85,889,612	-85,889,612	-86,001,847
Carrying amount at 31 December 2024	22,288,653	22,288,653	17,991,177
Selling price, disposals	96,817	96,817	881,830
Carrying amount, disposals	-51,817	-51,817	-394,180
Profit/loss on sale	45,000	45,000	487,650

8. Investments

	Deposits	Total	2023
	DKK	DKK	DKK
Cost at 1 January 2024	9,764,706	9,764,706	8,434,759
Additions for the year	615,338	615,338	1,682,960
Disposals for the year	-268,350	-268,350	-353,013
Cost at 31 December 2024	10,111,694	10,111,694	9,764,706
Carrying amount at 31 December 2024	10,111,694	10,111,694	9,764,706

Notes, continued

9. Prepayments

	2024	2023
	DKK	DKK
Rent etc.	4,254,529	353,178
Other prepaid expenses	489,018	0
Insurance and membership fee's	255,637	0
I alt	4,999,184	353,178

10. Contributed capital

	2024	2023
	DKK	DKK
Contributed capital beginning of the year	3,449,000	3,449,000
I alt	3,449,000	3,449,000

11. Long-term liabilities

	31/12-2024	31/12-2023
	DKK	DKK
Liabilities in total:		
Deferred income	4,765,033	4,002,072
Total	4,765,033	4,002,072
Current portion of non-current liabilities:		
Deferred income	754,275	0
Total	754,275	0
Due beyond 5 years after the balance sheet date:		
Deferred income	1,001,159	0
Total	1,001,159	0

12. Contingent assets

	2024
	DKK
Unrecognised deferred tax assets due to tax losses carried forward and tax depreciation below accounting depreciation on fixtures, fittings, tools and equipment	2,200,000

Notes, continued

13. Unrecognised contractual commitments

	<u>2024</u>
	DKK
The company has made a rent agreement for shop facilities pending the year 2030 and is equally divided during the period. The overall residual rent agreement aggregate approx.	79,060,000
The company has entered into operating lease for lease of copying machine. The lease is interminable until 2024. The total lease commitment represents approx.	37,000
Total rental and lease obligations	<u>79,097,000</u>

14. Related parties

Related parties with controlling interest comprise the following:

<u>Controlling interest:</u>	<u>Basis of controlling interest:</u>
Deichmann Schuhe Service GmbH, Deichmannweg 9, Essen, Nordrhein-Westfalen, 45359, Germany	Main shareholder
Deichmann SE, Deichmannweg 9, Essen, Nordrhein-Westfalen, 45359, Germany	Owner of Deichmann Schuhe Service GmbH with 100%
Heinrich Otto Deichmann	Owner of Deichmann SE with 44,12%

In accordance with section 98(c)(6) of the Danish Financial Statements Act no related party transactions have been disclosed as management assess all transactions have been carried out on an arm's length basis.

15. Group relations

The company is included in the consolidated report for the parent companies:

The largest group: Deichmann SE, Essen

The consolidated report of the foreign parent company may be obtained at the parent company website www.unternehmensregister.de.

Notes, continued

16. Adjustments

	2024	2023
	DKK	DKK
Gains and losses sale of fixed assets	-45,000	-487,650
Finance income	-128,280	-172,089
Finance expenses	81,300	131,428
Tax on profit/loss for the year	1,111,072	-2,258,060
Total	1,019,092	-2,786,371

17. Proposed distribution of profit and loss

	2024	2023
	DKK	DKK
Proposed distribution of profit and loss for the year :		
Transferred to retained earnings	-3,657,264	-8,550,961
Profit/loss for the year	-3,657,264	-8,550,961