

Bestseller Wholesale (Ireland) Limited

Directors' Report and Financial Statements

For the Year Ended 31 July 2025

Bestseller Wholesale (Ireland) Limited

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Bestseller Wholesale (Ireland) Limited

Company Information

Directors Anders Holch Povlsen (Danish)
Lars Erik Pedersen (Danish)

Company secretary Lars Erik Pedersen

Registered number 265260

Registered office Unit 14
The Westway Centre
Ballymount Avenue
Dublin 12

Independent auditors Forvis Mazars
Harcourt Centre
Block 3
Harcourt Road
Dublin 2

Bankers BNP Paribas S.A
5 George's Dock
IFSC
Dublin 1

AIB
Unit 33 Blackthorn Road
Sandyford Business Park
Dublin 18

Solicitors A&L Goodbody
25-28 North Wall Quay
Dublin 1

Bestseller Wholesale (Ireland) Limited

Directors' Report For the Year Ended 31 July 2025

The directors present their annual report and the audited financial statements for the year ended 31 July 2025.

Principal activities

The company's principal activity is that of the wholesale of ladies' wear, menswear and children's clothing to Irish retail outlets.

Business review

The directors consider the state of affairs of the company to be satisfactory and are confident of profitable trading for the foreseeable future.

Results and dividends

The profit for the year, after taxation, amounted to €1,392,271 (2024 - €1,589,115). Shareholders' funds at 31 July 2025 were €23,817,736 (2024: €22,505,983).

Dividends paid during the year amounted to €80,518 (2024 - €Nil).

Directors, secretary and their interests

The directors, who served throughout the year, except as noted, were as follows:

Anders Holch Povlsen
Lars Erik Pedersen (Appointed 11 April 2025)
Mary McDonnell (Resigned 2 April 2025)
Thomas Borglum Jensen (Resigned 31 August 2025)

The secretary who served throughout the financial year, except as noted, were as follows:

Brian Reddy (Resigned 7 March 2025)
Thomas Borglum Jensen (Appointed 7 March 2025, Resigned 31 August 2025)
Lars Erik Pedersen (Appointed 31 August 2025)

The directors and company secretary hold no interest in the share capital of the company at the beginning or the end of the financial year.

The interest of the directors and company secretary in the share capital of the ultimate parent company, Heartland A/S, at the beginning and end of the the year were as follows:

| | 31 July 2025 Number | 31 July 2024 Number |
|-----------------------|------------------------|------------------------|
| Anders Holch Povlsen | 76,000,000 | 76,000,000 |
| Thomas Borglum Jensen | - | - |
| Lars Erik Pedersen | - | - |
| | <u>76,000,000</u> | <u>76,000,000</u> |

Bestseller Wholesale (Ireland) Limited

Directors' Report (continued) For the Year Ended 31 July 2025

Ultimate parent company

The ultimate parent company is Heartland A/S, a company incorporated in Denmark.

Heartland A/S is owned and controlled by Anders Holch Povlsen and his family.

Principal risks and uncertainties

Operating

The directors of the company are aware of their statutory obligations in relation to providing a fair review of the company's development and performance. The directors are satisfied that the company faces no uncertainties or risks in the foreseeable future other than the normal risk and uncertainties in the day-to-day operation of the company.

Economic

Global economic conditions may impact the company's business, results, and financial condition. Economic, political, and local business risks associated with international revenue operations could adversely affect the company's business. The company may also be adversely affected by governmental regulations.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Unit 14, The Westway Centre, Ballymount Avenue, Dublin 12.

Events since the end of the year

There have been no significant events since the year end which have affected the company.

Future developments

The company plans to develop and consolidate its existing activities in the coming year.

Research and development activities

The company did not incur any research and development activity costs during the year.

Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Bestseller Wholesale (Ireland) Limited

Directors' Report (continued) For the Year Ended 31 July 2025

Going concern

The directors believe that the company has adequate resources to continue its operation for the foreseeable future and continue to adopt the going concern basis in preparing the annual financial statements.

Compliance statement

The directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014, and Tax laws ('relevant obligations').

A written compliance policy statement has not yet been drawn up setting out the Company's policies with regard to such compliance. The directors are in the process of formalising their policy statement.

Appropriate arrangements and structures that, in their opinion, are designed to secure material compliance with the Company's relevant obligations, have been put in place; and

A review has been conducted, during the financial year, of the arrangements and structures that have been put in place to secure the Company's compliance with its relevant obligations.

Auditors

The auditors, Forvis Mazars Chartered Accountants & Statutory Audit Firm, express their willingness to, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.

DocuSigned by:

40888D5BC9D44AA...
Anders Holch Povlsen
Director

Signed by:

C9AD98F36FAD481...
Lars Erik Pedersen
Director

Date: 29 January 2026

Bestseller Wholesale (Ireland) Limited

Directors' Responsibilities Statement For the Year Ended 31 July 2025

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board

DocuSigned by:

40888D5BC9D44AA
Anders Holch Povlsen
Director

Signed by:

C9AD98F36FAD481...
Lars Erik Pedersen
Director

Date: 29 January 2026



Independent Auditors' Report to the Members of Bestseller Wholesale (Ireland) Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Bestseller Wholesale (Ireland) Limited (the 'Company') for the year ended 31 July 2025, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued in the United Kingdom by the Financial Reporting Council (FRS 102).

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 July 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



Independent Auditors' Report to the Members of Bestseller Wholesale (Ireland) Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.



**Independent Auditors' Report to the Members of Bestseller Wholesale (Ireland) Limited
(continued)**

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 Auditors' 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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our Auditors' Report.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Emer O'Riordan
for and on behalf of
Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre
Block 3
Harcourt Road
Dublin 2**

A handwritten signature in black ink that reads "Emer O'Riordan".

3 February 2026

Bestseller Wholesale (Ireland) Limited

Statement of Comprehensive Income
For the Year Ended 31 July 2025

| | Note | 2025 € | 2024 € |
|----------------------------------------------------------|------|-------------------------|-------------------------|
| Turnover | 4 | 39,206,740 | 40,071,292 |
| Cost of sales | | (23,022,105) | (34,497,880) |
| Gross profit | | <u>16,184,635</u> | <u>5,573,412</u> |
| Administrative expenses | | (15,009,093) | (4,246,537) |
| Other operating income | | 301,067 | 375,811 |
| Operating profit | 5 | <u>1,476,609</u> | <u>1,702,686</u> |
| Interest receivable and similar income | 8 | 170,797 | 329,676 |
| Profit before taxation | | <u>1,647,406</u> | <u>2,032,362</u> |
| Taxation | 9 | (255,135) | (443,247) |
| Profit for the financial year | | <u><u>1,392,271</u></u> | <u><u>1,589,115</u></u> |
| Total comprehensive income for the financial year | | <u><u>1,392,271</u></u> | <u><u>1,589,115</u></u> |

All operations of the company relate to continuing activities.

The notes on pages 12 to 23 form part of these financial statements.


Bestseller Wholesale (Ireland) Limited

Statement of Financial Position

As at 31 July 2025

| | Note | 2025 € | 2024 € |
|------------------------------------------------|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 1,869,283 | 1,890,540 |
| | | <u>1,869,283</u> | <u>1,890,540</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 12 | 20,599,234 | 21,821,534 |
| Cash at bank and in hand | 13 | 5,210,136 | 5,644,321 |
| | | <u>25,809,370</u> | <u>27,465,855</u> |
| Creditors: amounts falling due within one year | 14 | (3,860,917) | (6,850,412) |
| Net current assets | | <u>21,948,453</u> | <u>20,615,443</u> |
| Total assets less current liabilities | | <u>23,817,736</u> | <u>22,505,983</u> |
| Net assets | | <u><u>23,817,736</u></u> | <u><u>22,505,983</u></u> |
| Capital and reserves | | | |
| Called up share capital presented as equity | 15 | 125,000 | 125,000 |
| Capital redemption reserve | 16 | 1,974 | 1,974 |
| Profit and loss account | 16 | 23,690,762 | 22,379,009 |
| Shareholders' funds | | <u><u>23,817,736</u></u> | <u><u>22,505,983</u></u> |

The financial statements were approved and authorised for issue by the Board:

DocuSigned by:

 40888D5BC9D44AA...

Anders Holch Povlsen
Director

Signed by:

 C9AD98F36FAD481...

Lars Erik Pedersen
Director

Date: 29 January 2026

The notes on pages 12 to 23 form part of these financial statements.

Bestseller Wholesale (Ireland) Limited

Statement of Changes in Equity
For the Year Ended 31 July 2025

| | Called up share capital | Capital redemption reserve | Profit and loss account | Total equity |
|-------------------------|----------------------------|----------------------------------|----------------------------|-------------------|
| | € | € | € | € |
| At 31 July 2023 | 125,000 | 1,974 | 20,789,894 | 20,916,868 |
| Profit for the year | - | - | 1,589,115 | 1,589,115 |
| At 31 July 2024 | 125,000 | 1,974 | 22,379,009 | 22,505,983 |
| Profit for the year | - | - | 1,392,271 | 1,392,271 |
| Dividend paid (Note 10) | - | - | (80,518) | (80,518) |
| At 31 July 2025 | <u>125,000</u> | <u>1,974</u> | <u>23,690,762</u> | <u>23,817,736</u> |

The notes on pages 12 to 23 form part of these financial statements.

Bestseller Wholesale (Ireland) Limited

Notes to the Financial Statements For the Year Ended 31 July 2025

1. General information

Bestseller Wholesale (Ireland) Limited (the "Company") is incorporated and domiciled in Ireland with its principal place of business and its registered office at Unit 14, The Westway Centre, Ballymount Avenue, Dublin 12.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available as follows:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Bestseller A/S as at 31 July 2025 and these financial statements may be obtained from Fredskovvej 5, 7330 Brande, Denmark.

This information is included in the consolidated financial statements of Heartland A/S as at 31 July 2025 and these financial statements may be obtained from Inge Lehmanns Gade 2, 8000 Aarhus C, Denmark.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have an expectation that the Company has adequate resources together with the wider support of the group to continue in operational existence for a period of more than 12 months from the date of approval of the financial statements. The group has confirmed its intention and ability to support the company for at least 12 months from the approval of the financial statements. Accordingly, the directors continue to adopt the going concern basis in preparing their report and financial statements.

Bestseller Wholesale (Ireland) Limited

Notes to the Financial Statements For the Year Ended 31 July 2025

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the Statement of Comprehensive Income.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Bestseller Wholesale (Ireland) Limited

Notes to the Financial Statements For the Year Ended 31 July 2025

2. Accounting policies (continued)

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits, and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between fair values of assets acquired and future tax deductions available for them and differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date

Pillar Two Income Taxes

The company recognises any Pillar Two - related tax liabilities as current tax liabilities when incurred. Current tax liabilities related to Pillar Two are measured based on the projected effective tax rate applicable in the jurisdictions where the company operates.

Bestseller Wholesale (Ireland) Limited

Notes to the Financial Statements For the Year Ended 31 July 2025

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

| | |
|-----------------------|-----------------|
| Buildings | - 10 - 50 years |
| Fixtures and fittings | - 3 - 5 years |
| Computer equipment | - 3 - 5 years |

Land is not depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Bestseller Wholesale (Ireland) Limited

Notes to the Financial Statements For the Year Ended 31 July 2025

2. Accounting policies (continued)

2.12 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Bestseller Wholesale (Ireland) Limited

Notes to the Financial Statements For the Year Ended 31 July 2025

2. Accounting policies (continued)

2.13 Financial instruments (continued)

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Bad debt provision

The company provides for known bad debts and other accounts over 60 days old in line with group policy. Management judgement is required when determining the level of debt provision required.

4. Turnover

Analysis of turnover by country of destination:

| | 2025 € | 2024 € |
|---------------------|-------------------|-------------------|
| Republic of Ireland | 27,196,739 | 29,829,070 |
| United Kingdom | 12,010,001 | 10,242,222 |
| | <u>39,206,740</u> | <u>40,071,292</u> |

Bestseller Wholesale (Ireland) Limited

**Notes to the Financial Statements
For the Year Ended 31 July 2025**

5. Operating profit

The operating profit is stated after charging/(crediting):

| | 2025 | 2024 |
|---------------------------------------|---------------|---------------|
| | € | € |
| Depreciation of tangible fixed assets | 31,237 | 24,318 |
| Foreign currency exchange loss/(gain) | 12,914 | (42,193) |
| Bad debt provision | 10,003,358 | 749,872 |
| Auditor's remuneration | 21,250 | 21,250 |
| | <u>21,250</u> | <u>21,250</u> |

6. Employees

The average numbers of employees, including directors, during the year was 30 (2024: 33).

| | 2025 | 2024 |
|-------------------------------------|------------------|------------------|
| | € | € |
| Wages and salaries | 1,467,711 | 1,544,271 |
| Social welfare costs | 218,579 | 197,343 |
| Termination benefits | 150,000 | - |
| Redundancy cost | 376,069 | - |
| Cost of defined contribution scheme | 41,778 | 34,349 |
| | <u>2,254,137</u> | <u>1,775,963</u> |

7. Directors' remuneration

| | 2025 | 2024 |
|--------------------------------------|----------------|----------------|
| | € | € |
| Directors' remuneration | 307,516 | 300,000 |
| Defined contribution pension benefit | 166,500 | 22,000 |
| | <u>474,016</u> | <u>322,000</u> |

8. Interest receivable and similar income

| | 2025 | 2024 |
|----------------------------------|----------------|----------------|
| | € | € |
| Intercompany interest receivable | 170,797 | 329,676 |
| | <u>170,797</u> | <u>329,676</u> |

Bestseller Wholesale (Ireland) Limited

**Notes to the Financial Statements
For the Year Ended 31 July 2025**

9. Taxation

| | 2025 € | 2024 € |
|---------------------------------------------------------------------|----------------|----------------|
| Current taxation | | |
| Corporation tax charge for the year excluding Pillar Two Income Tax | 251,534 | 443,247 |
| Corporation tax charge for the year related to Pillar Two | 3,601 | - |
| | <u>255,135</u> | <u>443,247</u> |
| Reconciliation of taxation charge: | | |
| | 2025 € | 2024 € |
| Profit of ordinary activities before taxation | 1,647,406 | 2,032,364 |
| Taxation at standard rate of 12.5% | 205,926 | 254,045 |
| Factors affecting current tax charge: | | |
| Expenses not deductible for tax purposes | 21,708 | 6,099 |
| Depreciation in excess of capital allowances | 2,541 | 6,604 |
| Investment income taxed at higher rate | 21,359 | 41,210 |
| Underprovision in respect of prior year | - | 135,289 |
| Corporation tax charge for the year excluding Pillar Two Income Tax | 251,534 | 443,247 |
| Top-up tax related to Pillar Two | 3,601 | - |
| Total corporation tax charge | <u>255,135</u> | <u>443,247</u> |

The company began recording tax expense associated with the “Pillar Two model rules” as published by the Organization for Economic Cooperation and Development (“OECD”). These rules are designed to ensure large multinational enterprises within the scope of the rules pay a minimum level of tax in each jurisdiction where they operate. In general, the “Pillar Two model rules” applies a system of top-up taxes to bring the enterprise’s effective tax rate in each jurisdiction to a minimum of 15%. The Company is a subsidiary of Bestseller A/S, a company incorporated in Denmark and subject to the OECD Pillar Two model rules. Republic of Ireland, the jurisdiction of the Company's incorporation, enacted Pillar Two legislation during the year. At the year ended 31 July 2025, income tax expense included €3,601 of top-up tax which was attributable to the company’s earnings in Ireland.

The Company is continuing to monitor any legislative clarifications to ensure compliance with any new requirements.

Bestseller Wholesale (Ireland) Limited

**Notes to the Financial Statements
For the Year Ended 31 July 2025**

10. Dividend paid

| | 2025 € | 2024 € |
|---------------------------------------|---------------|-----------|
| €0.64 (2024: €Nil) per ordinary share | 80,518 | - |
| | <u>80,518</u> | <u>-</u> |

11. Tangible fixed assets

| | Land € | Buildings € | Fixtures & fittings € | Computer Equipment € | Total € |
|-----------------------|------------------|------------------|-----------------------------|----------------------------|------------------|
| Cost | | | | | |
| At 1 August 2024 | 1,601,368 | 2,536,460 | 177,308 | 49,581 | 4,364,717 |
| Additions | - | - | 4,447 | 5,533 | 9,980 |
| At 31 July 2025 | <u>1,601,368</u> | <u>2,536,460</u> | <u>181,755</u> | <u>55,114</u> | <u>4,374,697</u> |
| Depreciation | | | | | |
| At 1 August 2024 | - | 2,305,632 | 162,148 | 6,397 | 2,474,177 |
| Charge for the year | - | 7,014 | 4,135 | 20,088 | 31,237 |
| At 31 July 2025 | <u>-</u> | <u>2,312,646</u> | <u>166,283</u> | <u>26,485</u> | <u>2,505,414</u> |
| Net book value | | | | | |
| At 31 July 2025 | <u>1,601,368</u> | <u>223,814</u> | <u>15,472</u> | <u>28,629</u> | <u>1,869,283</u> |
| At 31 July 2024 | <u>1,601,368</u> | <u>230,828</u> | <u>15,160</u> | <u>43,184</u> | <u>1,890,540</u> |

Bestseller Wholesale (Ireland) Limited

**Notes to the Financial Statements
For the Year Ended 31 July 2025**

12. Debtors

| | 2025 | 2024 |
|----------------------------------------------|-------------------|-------------------|
| | € | € |
| Trade debtors | 7,583,006 | 13,867,661 |
| Amounts owed by group undertakings (Note 18) | 12,391,086 | 5,753,768 |
| Prepayments and other debtors | 375,905 | 1,580,897 |
| Corporation tax asset | 249,237 | 619,208 |
| | <u>20,599,234</u> | <u>21,821,534</u> |

13. Cash at bank and in hand

| | 2025 | 2024 |
|--------------------------|------------------|------------------|
| | € | € |
| Cash at bank and in hand | 5,210,136 | 5,644,321 |
| | <u>5,210,136</u> | <u>5,644,321</u> |

14. Creditors: Amounts falling due within one year

| | 2025 | 2024 |
|----------------------------------------------|------------------|------------------|
| | € | € |
| Trade creditors | - | 7,202 |
| Amounts owed to related parties (Note 18) | 121,562 | 186,144 |
| Amounts owed to group undertakings (Note 18) | 2,532,963 | 5,480,373 |
| Value added tax | 661,653 | 524,683 |
| PAYE/PRSI | 33,168 | 50,852 |
| Accruals | 511,571 | 601,158 |
| | <u>3,860,917</u> | <u>6,850,412</u> |

15. Share capital

| | 2025 | 2024 |
|---------------------------------------------------------------|----------------|----------------|
| | € | € |
| Allotted, called up and fully paid | | |
| 100,000 (2024 - 100,000) Ordinary shares shares of €1.25 each | <u>125,000</u> | <u>125,000</u> |

Bestseller Wholesale (Ireland) Limited

**Notes to the Financial Statements
For the Year Ended 31 July 2025**

16. Reserves**Capital redemption reserve**

This reserve reflects the value of the re-nomalisation of ordinary share capital.

Profit and loss account

The profit or loss account represent cumulative gains and losses recognised, net of transfers to/from other reserves and dividends paid.

17. Pension commitments

The company operates a defined contribution pension scheme for the benefit of its employees with contributions from both employees and the company. The assets of the scheme are held separately from those of the company in a fund independently administered. The pension cost charge represents contributions payable by the company to this scheme which amount to €41,778 (2024: €34,349). No pension contributions relating to salaries are included in creditors at the year-end date.

18. Related party transactions*Transactions with group companies*

In accordance with FRS102 Section 33 Related Party Transactions, the company avails of the exemption whereby subsidiaries, 100 per cent of whose voting rights are controlled within a group, do not have to disclose transactions with other group companies.

Transactions under common control

In normal course of business, the company undertakes transactions with United Broker A/S, a company related by virtue of commonality of directors and ultimate shareholders. At the year end, the company owed an amount of €121,562 (2024: €186,144) to United Broker A/S relating to transport and logistics services.

Transactions with key management personnel

Compensation entitlements are identified in Directors' Emoluments, in Note 7 to the financial statements. There were no other transactions involving key management personnel other than those disclosed in Note 7.

Bestseller Wholesale (Ireland) Limited

Notes to the Financial Statements For the Year Ended 31 July 2025

19. Leasing commitments

| | 2025 € | 2024 € |
|--------------------------------------|----------------|----------------|
| Operating leases which expire | | |
| Due within one year | 158,078 | 197,286 |
| Due between 2 and 5 years | 83,656 | 241,734 |
| | <u>241,734</u> | <u>439,020</u> |

20. Events since the end of the year

There have been no significant events affecting the company since the year end.

21. Controlling party

The immediate parent company is Bestseller A/S and the ultimate parent company is Heartland A/S. Each of these companies are incorporated in Denmark and prepare consolidated financial statements incorporating the financial statements of Bestseller Wholesale Limited.

The ultimate parent company Heartland A/S is owned and controlled by Anders Holch Povlsen and his family.

22. Approval of financial statements

The board of directors approved these financial statements for issue on 29 January 2026.