

## MAX MARA SCANDINAVIA ApS

Østergade 7,  
1100 København K

CVR No. 25504801

## Annual Report 2022

23. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 10 July 2023

---

Vincenzo Prezioso  
Chairman

## MAX MARA SCANDINAVIA ApS

### Contents

Management's Statement	3
Independent Auditors' Report	4
Company Information	6
Management's Review	7
Accounting Policies	8
Income Statement	12
Balance Sheet	13
Statement of changes in Equity	15
Notes	16

## **Management's Statement**

Today, Management has considered and adopted the Annual Report of MAX MARA SCANDINAVIA ApS for the financial year 1 January 2022 - 31 December 2022.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

Copenhagen, 16 June 2023

### **Executive Board**

Paulus de Graaf  
Director

Michele Usuardi

### **Supervisory Board**

Michele Usuardi  
Chairman

Paulus de Graaf

## Independent Auditors' Report

To the shareholders of MAX MARA SCANDINAVIA ApS

### Opinion

We have audited the financial statements of MAX MARA SCANDINAVIA ApS for the financial year 1 January 2022 - 31 December 2022, which comprise an income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2022 and of the results of its operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility 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 (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibility 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 considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

### The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements 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 no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

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

- \* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.

## **Independent Auditors' Report**

- \* 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 whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- \* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- \* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

### **Statement on Management's Review**

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

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

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Copenhagen, 16 June 2023

### **HARBOE CONSULT ApS - GODKENDT REVISIONSVIRKSOMHED**

CVR-no. 35649417

John Petersson  
State Authorised Public Accountant  
mne29420

## MAX MARA SCANDINAVIA ApS

### Company details

<b>Company</b>	MAX MARA SCANDINAVIA ApS Østergade 7, 1100 København K
Telephone	33 38 56 20
email	degraaf.p@maxmara.nl
CVR No.	25504801
Date of formation	14 July 2000
Registered office	København
<b>Supervisory Board</b>	Michele Usuardi, Chairman Paulus de Graaf, Director
<b>Executive Board</b>	Paulus de Graaf, Director Michele Usuardi
<b>Parent Company</b>	Max Mara Fashion Group S.R.L.
<b>Auditors</b>	HARBOE CONSULT ApS - GODKENDT REVISIONSVIRKSOMHED Grønningen 17 1270 København K CVR-no.: 35649417

## **Management's Review**

### **The Company's principal activities**

The Company's principal activities consist of dealing with fashion clothes from Max Mara Fashion Group in two stores in Denmark.

### **Insecurity regarding recognition or measurement**

There is no material insecurity regarding recognition or measurement.

### **Exceptional circumstances**

No exceptional circumstances have affected recognition or measurement.

### **Development in activities and financial matters**

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK 225.412 and the Balance Sheet at 31 December 2022 a balance sheet total of DKK 31.922.151 and an equity of DKK 20.478.466.

### **Post financial year events**

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

## Accounting Policies

### Reporting Class

The annual report of MAX MARA SCANDINAVIA ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

### Reporting currency

The annual report is presented in Danish kroner.

### Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

## General information

### Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are 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 term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.



## Accounting Policies

### Income statement

#### Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

#### Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

#### Other operating income

Other operating income comprises items of a secondary nature to the activities of the enterprises, including profits on sale of intangible and tangible assets.

#### Raw materials and consumables used

Costs for raw materials and consumables comprise the cost of goods purchased less discounts, costs subcontractors and change in inventories for the year.

#### Other external expenses

Other external expenses include expenses for distribution, sales, administration, premises, bad debts, operating leasing expenses etc.

#### Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

Other staff expenses are recognised in other external expenses.

#### Amortisation and impairment of tangible assets

Amortization and impairment of plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	5 years	0%
Leasehold improvements	5-10 years	0%

Profit or loss resulting from the sale of plant and equipment is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the income statement under other operating income or expenses.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses regarding accounts payable and transactions in foreign currencies, and surcharges and allowances under the advance-payment of tax scheme.

## **Accounting Policies**

### **Tax on net profit for the year**

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

## **Balance sheet**

### **Property, plant and equipment**

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

The carrying amounts of property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortization and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

### **Deposits**

Deposits are measured at cost.

### **Inventories**

Inventories are measured at cost on the basis of the FIFO principle. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

The net realizable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

Merchandises are measured at cost comprising purchase price plus delivery costs.

### **Receivables**

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

## **Accounting Policies**

### **Prepayments**

Prepayments recognised in assets comprises prepaid costs regarding subsequent financial years.

### **Other receivables**

Other receivables are measured at amortized cost, which usually corresponds to the nominal value.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

### **Equity**

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

### **Provisions**

#### **Deferred tax**

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

#### **Current tax liabilities**

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

### **Other payables**

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

### **Accruals and deferred income entered as liabilities**

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

### **Contingent assets and liabilities**

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## Income Statement

	Note	2022 kr.	2021 kr.
<b>Gross profit</b>		<b>8.505.638</b>	<b>5.557.339</b>
Employee benefits expense	1	-7.433.183	-3.779.264
Depreciation, amortisation expense and impairment losses of plant and equipment recognised in profit or loss		-574.375	-658.181
<b>Profit from ordinary operating activities</b>		<b>498.080</b>	<b>1.119.895</b>
Other finance income	2	5.230	1.784
Finance expenses	3	-277.898	-89.656
<b>Profit from ordinary activities before tax</b>		<b>225.412</b>	<b>1.032.022</b>
Tax expense on ordinary activities		0	0
<b>Profit</b>		<b>225.412</b>	<b>1.032.022</b>
<b>Proposed distribution of results</b>			
Retained earnings		225.412	1.032.022
<b>Distribution of profit</b>		<b>225.412</b>	<b>1.032.022</b>

MAX MARA SCANDINAVIA ApS

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
<b>Assets</b>			
Fixtures, fittings, tools and equipment	4	3.110.162	417.973
Leasehold improvements	5	1.760.614	444.153
<b>Property, plant and equipment</b>		<b>4.870.776</b>	<b>862.126</b>
Deposits, investments	6	3.136.030	3.036.368
<b>Investments</b>		<b>3.136.030</b>	<b>3.036.368</b>
<b>Fixed assets</b>		<b>8.006.806</b>	<b>3.898.494</b>
Manufactured goods and goods for resale		14.406.922	6.504.299
<b>Inventories</b>		<b>14.406.922</b>	<b>6.504.299</b>
Short-term trade receivables		33.039	15.743
Short-term receivables from group enterprises		71.545	587.097
Other short-term receivables		2.660	0
Prepayments		2.518.564	1.933.390
<b>Receivables</b>		<b>2.625.808</b>	<b>2.536.230</b>
<b>Cash and cash equivalents</b>		<b>6.882.615</b>	<b>11.030.047</b>
<b>Current assets</b>		<b>23.915.345</b>	<b>20.070.577</b>
<b>Assets</b>		<b>31.922.151</b>	<b>23.969.071</b>

## Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
<b>Liabilities and equity</b>			
Contributed capital		26.425.000	26.425.000
Retained earnings		-5.946.534	-6.171.946
<b>Equity</b>		<b>20.478.466</b>	<b>20.253.054</b>
Other payables		0	677.314
<b>Long-term liabilities other than provisions</b>		<b>0</b>	<b>677.314</b>
Prepayments received from customers		159.482	49.959
Trade payables		1.548.800	214.933
Payables to group enterprises		7.285.114	978.790
Other payables		2.330.980	1.694.795
Deferred income, liabilities		119.309	100.226
<b>Short-term liabilities other than provisions</b>		<b>11.443.685</b>	<b>3.038.703</b>
<b>Liabilities other than provisions within the business</b>		<b>11.443.685</b>	<b>3.716.017</b>
<b>Liabilities and equity</b>		<b>31.922.151</b>	<b>23.969.071</b>
Contingent liabilities	7		
Collaterals and assets pledges as security	8		
Liabilities under off-balance sheet leases	9		

## MAX MARA SCANDINAVIA ApS

### Statement of changes in Equity

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2022	26.425.000	-6.171.946	20.253.054
Profit (loss)	0	225.412	225.412
<b>Equity 31 December 2022</b>	<b>26.425.000</b>	<b>-5.946.534</b>	<b>20.478.466</b>

The share capital has remained unchanged for the last 5 years.

## Notes

	2022	2021
<b>1. Employee benefits expense</b>		
Wages and salaries	7.248.683	3.630.816
Post-employment benefit expense	128.581	82.300
Social security contributions	55.919	66.148
	<b>7.433.183</b>	<b>3.779.264</b>
Average number of employees	19	10
<b>2. Other finance income</b>		
Other finance income	5.230	1.784
	<b>5.230</b>	<b>1.784</b>
<b>3. Finance expenses</b>		
Other finance expenses	277.898	89.657
	<b>277.898</b>	<b>89.657</b>
<b>4. Fixtures, fittings, tools and equipment</b>		
Cost at the beginning of the year	3.247.725	3.217.277
Addition during the year, incl. improvements	2.951.977	30.448
<b>Cost at the end of the year</b>	<b>6.199.702</b>	<b>3.247.725</b>
Depreciation and amortisation at the beginning of the year	-2.829.752	-2.726.228
Amortisation for the year	-259.788	-103.524
<b>Impairment losses and amortisation at the end of the year</b>	<b>-3.089.540</b>	<b>-2.829.752</b>
<b>Carrying amount at the end of the year</b>	<b>3.110.162</b>	<b>417.973</b>
<b>5. Leasehold improvements</b>		
Cost at the beginning of the year	6.927.005	6.927.005
Addition during the year, incl. improvements	1.631.048	0
<b>Cost at the end of the year</b>	<b>8.558.053</b>	<b>6.927.005</b>
Depreciation and amortisation at the beginning of the year	-6.482.852	-6.482.852
Amortisation for the year	-314.587	0
<b>Impairment losses and amortisation at the end of the year</b>	<b>-6.797.439</b>	<b>-6.482.852</b>
<b>Carrying amount at the end of the year</b>	<b>1.760.614</b>	<b>444.153</b>
<b>6. Deposits</b>		
Cost at the beginning of the year	3.036.368	2.963.805
Addition during the year, incl. improvements	99.662	72.563
<b>Cost at the end of the year</b>	<b>3.136.030</b>	<b>3.036.368</b>
<b>Carrying amount at the end of the year</b>	<b>3.136.030</b>	<b>3.036.368</b>



Notes

2022

2021

**7. Contingent liabilities**

No contingent liabilities exist at the balance sheet date.

**8. Collaterals and securities**

No securities or mortgages exist at the balance sheet date.

**9. Liabilities under leases**

The company has entered into operating lease agreements with an average residual of approximately 29 months. The total lease liability amounts to approximately DKK 42,712 thousand.

**10. Special items**

Other contributions

0

2.075.761

**Balance at the end of the year**

**0**

**2.075.761**