

## **MAX MARA SCANDINAVIA ApS**

Østergade 7,  
1100 København K

CVR No. 25504801

## **Annual Report 2023**

24. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 10 July 2024

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Vincenzo Prezioso  
Chairman at the AGM

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## **Management's Statement**

Today, Management has considered and adopted the Annual Report of MAX MARA SCANDINAVIA ApS for the financial year 1 January 2023 - 31 December 2023.

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 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

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, 10 July 2024

### **Executive Board**

Paulus de Graaf  
CEO

Michele Usuardi  
CEO

### **Supervisory Board**

Vincenzo Prezioso  
Chairman

Paulus de Graaf  
Member

Michele Usuardi  
Member

## 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 2023 - 31 December 2023, 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 2023 and of the results of its operations for the financial year 1 January 2023 - 31 December 2023 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, 10 July 2024

### **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
CVR No.	25504801
Date of formation	14 July 2000
Registered office	København
<b>Supervisory Board</b>	Vincenzo Prezioso, Chairman Paulus de Graaf Michele Usuardi
<b>Executive Board</b>	Paulus de Graaf Michele Usuardi
<b>Parent Company</b>	Max Mara Fashion Group S.R.L.
<b>Auditors</b>	HARBOE CONSULT ApS - GODKENDT REVISIONSVIRKSOMHED Jens Kofods Gade 1 1268 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 five stores in Denmark.

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

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK 349.848 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 35.525.495 and an equity of DKK 20.828.313.

### **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 2023 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.

## **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.

### **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 and refunds from public authorities.

### **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.

### **Employee benefits expenses**

Employee benefits expenses include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc.

Other employee benefits expenses are recognised in other external expenses.



## Accounting Policies

### Depreciation, amortisation and impairment of tangible assets

Tangible assets comprises of fixtures, fittings, tools and equipment, and leasehold improvements.

Depreciation, amortisation and impairment of tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised 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
Fixtures and fittings, tools and equipment	5 years	0%
Leasehold improvements	5-10 years	0%

Profit or loss resulting from the sale of tangible assets 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.

### Other operating expenses

Other operating expenses include items relating to activities secondary to the main activity of the enterprises.

### 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.

### Tax expense on ordinary activities

Tax expenses on ordinary activities 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.

## **Accounting Policies**

### **Balance sheet**

#### **Tangible assets**

Tangible assets 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 tangible assets are tested annually to determine whether there is any indication of impairment other than what is expressed by amortisation 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 of raw materials, consumables and goods for resale are valued upon initial recognition at cost and then at the lower of cost of acquisition or net realizable value.

#### **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.

#### **Prepayments**

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

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

## **Accounting Policies**

### **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.

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

### **Liabilities**

Liabilities comprises of trade apayables, payables to group enterprises and other payables and 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	2023 kr.	2022 kr.
<b>Gross profit</b>		<b>13.269.278</b>	<b>8.505.638</b>
Employee benefits expense	1	-11.492.932	-7.433.183
Depreciation, amortisation expense and impairment losses of tangible assets		-961.167	-574.375
Other operating expenses		-392.059	0
<b>Profit from ordinary operating activities</b>		<b>423.120</b>	<b>498.080</b>
Other finance income		19.542	5.230
Finance expences		-92.814	-277.898
<b>Profit from ordinary activities before tax</b>		<b>349.848</b>	<b>225.412</b>
Tax expense on ordinary activities		0	0
<b>Profit</b>		<b>349.848</b>	<b>225.412</b>
<b>Proposed distribution of results</b>			
Retained earnings		349.848	225.412
<b>Distribution of profit</b>		<b>349.848</b>	<b>225.412</b>

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Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
<b>Assets</b>			
Fixtures, fittings, tools and equipment	2	2.673.597	3.110.162
Leasehold improvements	3	1.323.503	1.760.614
<b>Tangible assets</b>		<b>3.997.100</b>	<b>4.870.776</b>
Deposits	4	3.353.028	3.136.030
<b>Investments</b>		<b>3.353.028</b>	<b>3.136.030</b>
<b>Fixed assets</b>		<b>7.350.128</b>	<b>8.006.806</b>
Manufactured goods and goods for resale		15.102.796	14.406.922
Prepayments for goods		6.797.867	1.922.000
<b>Inventories</b>		<b>21.900.663</b>	<b>16.328.922</b>
Short-term trade receivables		86.932	33.039
Short-term receivables from group enterprises		15.197	71.545
Other short-term receivables		0	2.660
Prepayments		2.544.303	596.564
<b>Receivables</b>		<b>2.646.432</b>	<b>703.808</b>
<b>Cash and cash equivalents</b>		<b>3.628.272</b>	<b>6.882.615</b>
<b>Current assets</b>		<b>28.175.367</b>	<b>23.915.345</b>
<b>Assets</b>		<b>35.525.495</b>	<b>31.922.151</b>

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Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
<b>Liabilities and equity</b>			
Contributed capital		26.425.000	26.425.000
Retained earnings		-5.596.687	-5.946.534
<b>Equity</b>		<b>20.828.313</b>	<b>20.478.466</b>
Prepayments received from customers		80.028	159.482
Trade payables		3.155.515	1.548.800
Payables to group enterprises		8.779.365	7.285.114
Other payables		2.496.528	2.330.980
Deferred income, liabilities		185.746	119.309
<b>Short-term liabilities other than provisions</b>		<b>14.697.182</b>	<b>11.443.685</b>
<b>Liabilities other than provisions within the business</b>		<b>14.697.182</b>	<b>11.443.685</b>
<b>Liabilities and equity</b>		<b>35.525.495</b>	<b>31.922.151</b>
Contingent liabilities	5		
Collaterals and assets pledged as security	6		
Liabilities under off-balance sheet leases	7		

## MAX MARA SCANDINAVIA ApS

### Statement of changes in Equity

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2023	26.425.000	-5.946.535	20.478.465
Profit (loss)	0	349.848	349.848
<b>Equity 31 December 2023</b>	<b>26.425.000</b>	<b>-5.596.687</b>	<b>20.828.313</b>

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

## Notes

	2023	2022
<b>1. Employee benefits expense</b>		
Wages and salaries	11.146.669	7.248.683
Post-employment benefit expense	204.315	128.581
Social security contributions	141.948	55.919
	<b>11.492.932</b>	<b>7.433.183</b>
Average number of employees	30	19
<b>2. Fixtures, fittings, tools and equipment</b>		
Cost at the beginning of the year	6.135.150	3.183.173
Addition during the year, incl. improvements	87.491	2.951.977
<b>Cost at the end of the year</b>	<b>6.222.641</b>	<b>6.135.150</b>
Depreciation and amortisation at the beginning of the year	-3.024.988	-2.765.200
Amortisation for the year	-524.056	-259.788
<b>Impairment losses and amortisation at the end of the year</b>	<b>-3.549.044</b>	<b>-3.024.988</b>
<b>Carrying amount at the end of the year</b>	<b>2.673.597</b>	<b>3.110.162</b>
<b>3. Leasehold improvements</b>		
Cost at the beginning of the year	8.558.053	6.927.005
Addition during the year, incl. improvements	0	1.631.048
<b>Cost at the end of the year</b>	<b>8.558.053</b>	<b>8.558.053</b>
Depreciation and amortisation at the beginning of the year	-6.797.439	-6.482.852
Amortisation for the year	-437.111	-314.587
<b>Impairment losses and amortisation at the end of the year</b>	<b>-7.234.550</b>	<b>-6.797.439</b>
<b>Carrying amount at the end of the year</b>	<b>1.323.503</b>	<b>1.760.614</b>



Notes

	2023	2022
<b>4. Deposits</b>		
Cost at the beginning of the year	3.136.030	3.036.368
Addition during the year, incl. improvements	216.998	99.662
<b>Cost at the end of the year</b>	<b>3.353.028</b>	<b>3.136.030</b>
<b>Carrying amount at the end of the year</b>	<b>3.353.028</b>	<b>3.136.030</b>

**5. Contingent liabilities**

No contingent liabilities exist at the balance sheet date.

**6. Collaterals and securities**

No securities or mortgages exist at the balance sheet date.

**7. Liabilities under leases**

The company has entered into operating lease agreements with an average residual of approximately 23 months. The total lease liability amounts to approximately DKK 35,429 thousand.