



## ENVII ApS

Ryesgade 19 C  
2200 Copenhagen N  
CVR No. 27981135

## Annual report 2023

The Annual General Meeting adopted the annual report on 16.05.2024

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**Per Ulrik Andersen**

Chairman of the General Meeting

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# Entity details

## Entity

ENVII ApS

Ryesgade 19 C

2200 Copenhagen N

Business Registration No.: 27981135

Registered office: København

Financial year: 01.01.2023 - 31.12.2023

## Executive Board

Peter Sextus Rasmussen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management

The Executive Board has today considered and approved the annual report of ENVII ApS for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

København, 16.05.2024

**Executive Board**

**Peter Sextus Rasmussen**

# Independent auditor's report

## To the shareholders of ENVII ApS

### Opinion

We have audited the financial statements of ENVII ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. 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 Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

### Basis for opinion

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

### Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

**Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

København, 16.05.2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

**Hans Tauby**

State Authorised Public Accountant

Identification No (MNE) mne44339

# Management commentary

## Primary activities

The Company's primary activity is to design, produce, market and sell clothing and accessories.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.



# Income statement for 2023

	Notes	2023 DKK	2022 DKK
<b>Gross profit/loss</b>		<b>(2,249,452)</b>	<b>12,453,759</b>
Staff costs	1	(11,238,534)	(11,291,533)
Depreciation, amortisation and impairment losses	2	(187,278)	(144,212)
Other operating expenses		0	(50,225)
<b>Operating profit/loss</b>		<b>(13,675,264)</b>	<b>967,789</b>
Other financial income	3	558,107	1,114,279
Other financial expenses	4	(944,839)	(1,672,858)
<b>Profit/loss before tax</b>		<b>(14,061,996)</b>	<b>409,210</b>
Tax on profit/loss for the year	5	2,973,049	(118,714)
<b>Profit/loss for the year</b>		<b>(11,088,947)</b>	<b>290,496</b>
<b>Proposed distribution of profit and loss</b>			
Ordinary dividend for the financial year		0	3,500,000
Retained earnings		(11,088,947)	(3,209,504)
<b>Proposed distribution of profit and loss</b>		<b>(11,088,947)</b>	<b>290,496</b>

# Balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Other fixtures and fittings, tools and equipment		183,571	696,561
Leasehold improvements		338,332	0
<b>Property, plant and equipment</b>	6	<b>521,903</b>	<b>696,561</b>
Deposits		12,641	12,641
<b>Financial assets</b>	7	<b>12,641</b>	<b>12,641</b>
<b>Fixed assets</b>		<b>534,544</b>	<b>709,202</b>
Manufactured goods and goods for resale		5,469,096	10,462,484
Prepayments for goods		2,532,056	1,925,953
<b>Inventories</b>		<b>8,001,152</b>	<b>12,388,437</b>
Trade receivables		2,382,296	3,112,584
Deferred tax		0	74,810
Other receivables		599,374	42,377
Joint taxation contribution receivable		3,028,234	0
Prepayments		142,264	0
<b>Receivables</b>		<b>6,152,168</b>	<b>3,229,771</b>
<b>Cash</b>		<b>173,444</b>	<b>1,934,351</b>
<b>Current assets</b>		<b>14,326,764</b>	<b>17,552,559</b>
<b>Assets</b>		<b>14,861,308</b>	<b>18,261,761</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023</b> <b>DKK</b>	<b>2022</b> <b>DKK</b>
Contributed capital		125,000	125,000
Reserve for fair value adjustments of hedging instruments		(91,473)	(243,651)
Retained earnings		718,837	337,899
Proposed dividend		0	3,500,000
<b>Equity</b>		<b>752,364</b>	<b>3,719,248</b>
Deferred tax		23,297	0
<b>Provisions</b>		<b>23,297</b>	<b>0</b>
Trade payables		3,714,378	3,416,665
Payables to group enterprises		10,011,815	8,905,161
Joint taxation contribution payable		0	109,510
Derivative financial instruments	8	117,273	312,373
Other payables		242,181	1,798,804
<b>Current liabilities other than provisions</b>		<b>14,085,647</b>	<b>14,542,513</b>
<b>Liabilities other than provisions</b>		<b>14,085,647</b>	<b>14,542,513</b>
<b>Equity and liabilities</b>		<b>14,861,308</b>	<b>18,261,761</b>
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		
Assets charged and collateral	11		

# Statement of changes in equity for 2023

	Contributed capital DKK	Reserve for fair value adjustments of hedging instruments DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	125,000	(243,651)	337,899	3,500,000	3,719,248
Ordinary dividend paid	0	0	0	(3,500,000)	(3,500,000)
Fair value adjustments of hedging instruments	0	195,100	0	0	195,100
Group contributions etc.	0		11,500,000	0	11,500,000
Other entries on equity	0	0	(30,115)	0	(30,115)
Tax of entries on equity	0	(42,922)	0	0	(42,922)
Profit/loss for the year	0	0	(11,088,947)	0	(11,088,947)
<b>Equity end of year</b>	<b>125,000</b>	<b>(91,473)</b>	<b>718,837</b>	<b>0</b>	<b>752,364</b>

# Notes

## 1 Staff costs

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	10,737,469	10,749,361
Pension costs	195,846	200,286
Other social security costs	36,734	38,249
Other staff costs	268,485	303,637
	<b>11,238,534</b>	<b>11,291,533</b>
Average number of full-time employees	14	14

## 2 Depreciation, amortisation and impairment losses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Depreciation of property, plant and equipment	187,278	144,212
	<b>187,278</b>	<b>144,212</b>

## 3 Other financial income

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	558,107	1,114,279
	<b>558,107</b>	<b>1,114,279</b>

## 4 Other financial expenses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Exchange rate adjustments	58,452	252,960
Other financial expenses	886,387	1,419,898
	<b>944,839</b>	<b>1,672,858</b>

## 5 Tax on profit/loss for the year

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	(3,028,234)	208,347
Change in deferred tax	98,107	(89,633)
Adjustment concerning previous years	(42,922)	0
	<b>(2,973,049)</b>	<b>118,714</b>

## 6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	1,876,244	0
Transfers	(1,017,929)	1,017,929
Additions	0	12,620
<b>Cost end of year</b>	<b>858,315</b>	<b>1,030,549</b>
Depreciation and impairment losses beginning of year	(1,179,683)	0
Transfers	536,289	(536,289)
Depreciation for the year	(31,350)	(155,928)
<b>Depreciation and impairment losses end of year</b>	<b>(674,744)</b>	<b>(692,217)</b>
<b>Carrying amount end of year</b>	<b>183,571</b>	<b>338,332</b>

## 7 Financial assets

	Deposits DKK
Cost beginning of year	12,641
<b>Cost end of year</b>	<b>12,641</b>
<b>Carrying amount end of year</b>	<b>12,641</b>

## 8 Derivative financial instruments

The Company has forward exchange contracts that covers a period of 1-9 months. The Company has entered the forward exchange contracts to hedge the exchange rate risk on the expected future foreign exchange cashflow.

The forward exchange contracts is entered with the Company's usual credit institution and the contracts has a value of DKK -117,273 as of 31.12.2023.

The valuation of the forward exchange contracts is based on a discounted cash flow method, in which the expected future cash flows in the financial instruments, are based on relevant, observable forward exchange rates, which is discounted to 31.12.2023 with a discount rate that reflects the credit risk related to both the counterparty (ENVII ApS) and the credit institution.

A total of eight forward exchange contracts has been entered by the Company as of 31.12.2023. The contracts is related to purchase of USD at exchange rates between 6.742 - 6.806 which is executed in the period 30. January 2024 to 30. September 2024.

## 9 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	0	3,142,000

### **10 Contingent liabilities**

The Entity participates in a Danish joint taxation arrangement where P & P Holdings A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

### **11 Assets charged and collateral**

The Company has, for the group's overall engagement with credit institutions, issued a joint mortgage bond with group-affiliated Companies for a total of DKK 86,556,934.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of raw materials and consumables and external expenses.

### Revenue

Revenue from the sale of goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

### Other external expenses

Other external expenses include expenses relating to the Entity's normal activities, including expenses for



premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### **Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

### **Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and comprise depreciation, amortisation and impairment losses for the financial year.

### **Other operating expenses**

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities.

### **Other financial income**

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

### **Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

### **Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

## **Balance sheet**

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

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### **Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

### **Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

### **Joint taxation contributions receivable or payable**

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Dividend**

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.