

# 2XU Denmark ApS

c/o Azets Insight A/S  
Lyskær 3C, st,  
2730 Herlev

CVR No. 39390361

## Annual Report

1 July 2019 - 30 June 2020

2. financial period

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 27 November 2020

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Ondrej Ruzicka  
Chairman

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## Management's Statement

Today, Management has considered and adopted the Annual Report of 2XU Denmark ApS for the financial period 1 July 2019 - 30 June 2020.

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 30 June 2020 and of the results of the Company's operations for the financial period 1 July 2019 - 30 June 2020.

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

The conditions for not conducting an audit of the Financial Statement have been met.

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

Herlev, 27 November 2020

### Executive Board

Ondrej Ruzicka  
Manager

Michael James Martin  
Manager

## Company details

<b>Company</b>	2XU Denmark ApS c/o Azets Insight A/S Lyskær 3C, st, 2730 Herlev
CVR No.	39390361
Date of formation	7 March 2018
<b>Executive Board</b>	Ondrej Ruzicka, Manager Michael James Martin, Manager

## Management's Review

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

The Company's principal activities consist in wholesale and retail sales of sports equipment and sportswear.

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

The Company's Income Statement of the financial period 1 July 2019 - 30 June 2020 shows a result of DKK 494.542 and the Balance Sheet at 30 June 2020 a balance sheet total of DKK 540.582 and an equity of DKK 76.514.

The company has stopped its operations in the financial period.

### **Post financial period events**

The company has stopped its operations. Management is preparing to liquidate the company. As such the events of the COVID-19 outbreak does not have any impact on the company

## Accounting Policies

### Reporting Class

The Annual Report of 2XU Denmark ApS for 2019/20 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.

### 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.

Gross profit is a combination of the items of revenue, cost of goods sold 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 period-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive of VAT and net of sales discounts.

### Cost of goods sold

Costs of goods sold comprise the cost of goods purchased less discounts.

### Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises, loss of debtors costs etc.

### Staff expenses

Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

## Accounting Policies

### Amortisation and impairment of intangible assets

Amortisation and impairment of intangible 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
Goodwill	5 years	0%

Profit or loss resulting from the sale of intangible 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 on the amounts that concern the financial period. Financial income and expenses include interest revenue and expenses, realised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

### Tax on net profit for the period

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

## Balance Sheet

### Intangible assets

Acquired goodwill is measured at cost on initial recognition and subsequently at cost less accumulated amortisation and impairment losses.

An impairment test of goodwill is performed in the event of indications of a decrease in value. The impairment test is performed for the activity or the business area to which the goodwill relates. Goodwill is written down to the higher of the value in use and the net selling price for the activity or business area to which the goodwill relates (recoverable amount) in the event that this one is lower than the carrying amount.

Goodwill historically recognised of value 395.726 DKK has been fully impaired during last year.

### Receivables

Receivables are measured at amortised 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, assets

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

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

### Equity

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

## **Accounting Policies**

### **Current tax liabilities**

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the period, adjusted for tax on taxable income for previous period as well as for tax prepaid.

### **Liabilities**

Liabilities comprise trade payables and other payables which, are measured at amortised cost, which usually corresponds to the nominal value.

## Income Statement

	Note	2019/20 DKK	2018/19 DKK
<b>Gross profit</b>		<b>601.353</b>	<b>467.409</b>
Employee benefits expense	1	-2.868	-524.411
Depreciation, amortisation expense and impairment losses of intangible assets recognised in profit or loss		0	-395.726
<b>Profit from ordinary operating activities</b>		<b>598.485</b>	<b>-452.728</b>
Other finance income		11.426	1.655
Other finance expenses		-5.875	-1.632
<b>Profit from ordinary activities before tax</b>		<b>604.036</b>	<b>-452.705</b>
Tax expense on ordinary activities	2	-109.494	-15.323
<b>Profit</b>		<b>494.542</b>	<b>-468.028</b>
<b>Proposed distribution of results</b>			
Retained earnings		494.542	-468.028
<b>Distribution of profit</b>		<b>494.542</b>	<b>-468.028</b>

**Balance Sheet as of 30 June**

	<b>Note</b>	<b>2020 DKK</b>	<b>2019 DKK</b>
<b>Assets</b>			
Short-term trade receivables		0	143.928
Short-term receivables from group enterprises		429.555	0
Other short-term receivables		41.402	0
Prepayments		0	25.551
<b>Receivables</b>		<b>470.957</b>	<b>169.479</b>
<b>Cash and cash equivalents</b>		<b>69.625</b>	<b>503.104</b>
<b>Current assets</b>		<b>540.582</b>	<b>672.583</b>
<b>Assets</b>		<b>540.582</b>	<b>672.583</b>

## Balance Sheet as of 30 June

	Note	2020 DKK	2019 DKK
<b>Liabilities and equity</b>			
Contributed capital		50.000	50.000
Retained earnings		26.514	-468.028
<b>Equity</b>		<b>76.514</b>	<b>-418.028</b>
Trade payables		72.847	159.582
Payables to group enterprises		280.527	793.633
Tax payables		110.694	0
Other payables		0	137.396
<b>Short-term liabilities other than provisions</b>		<b>464.068</b>	<b>1.090.611</b>
<b>Liabilities other than provisions within the business</b>		<b>464.068</b>	<b>1.090.611</b>
<b>Liabilities and equity</b>		<b>540.582</b>	<b>672.583</b>
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**Notes****1. Employee benefits expense**

	<b>2019/20</b>	<b>2018/19</b>
Wages and salaries	0	521.382
Social security contributions	2.868	3.029
	<u><b>2.868</b></u>	<u><b>524.411</b></u>
Average number of employees	<u>0</u>	<u>1</u>

**2. Tax expense**

Tax for the year	108.812	15.323
Previous years tax	1.386	0
	<u><b>110.198</b></u>	<u><b>15.323</b></u>

**3. Collaterals and securities**

No securities or mortgages exist at the balance sheet date.

**4. Related parties**

The smallest group, in which these financial statements of the company are consolidated, are those of 2XU Holdings Pty Ltd. The registered office of 2XU Holdings Pty Ltd is Hawthorn, Australia.