

# **SzeKi Denmark ApS**

Klosterstræde 19, st  
1157 København K

Annual report  
30 April 2019 - 31 December 2019

**The annual report has been presented and  
approved on the company's general meeting the**

**07/09/2020**

---

**Stefano Oragano**  
**Chairman of general meeting**

**Content****Company informations**

Company informations .....	3
----------------------------	---

**Reports**

Statement by Management .....	4
-------------------------------	---

**Auditor's Reports**

The independent auditor's report on financial statements .....	5
--	---

**Management's Review**

Management's Review .....	8
---------------------------	---

**Financial statement**

Accounting Policies .....	9
---------------------------	---

Income statement .....	11
------------------------	----

Balance sheet .....	12
---------------------	----

Disclosures .....	14
-------------------	----

# Company information

**Reporting company** SzeKi Denmark ApS  
Klosterstræde 19, st  
1157 København K

CVR-nr: 40479139  
Reporting period: 30/04/2019 - 31/12/2019

**Auditor** Beierholm, Statsautoriseret Revisionspartnerselskab  
Knud Højgaards Vej 9  
2860 Søborg  
DK Denmark  
CVR-nr: 32895468  
P-number: 1016293861

# Statement by Management

Management has today considered and approved the annual report for the financial year 30. April 2019 - 31. December 2019 for SzeKi Denmark ApS.

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

Management believes that the financial statements give a true and fair view of the company's assets, liabilities and financial position and of the result.

The annual report is submitted for approval by the General Assembly.

Copenhagen, the 07/09/2020

## Management

Sze Ki Chan

Richard Shing Lap Lai

## Opting out of auditing financial statements in next reporting period due to exemption

The Annual General Meeting has decided that the annual accounts for the coming financial year will not be audited.

# The independent auditor's report on financial statements

To the shareholders of SzeKi Denmark ApS

## Qualified Opinion

We have audited the financial statements of Szeki Denmark ApS for the financial year 2019. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of our report, the accompanying financial statements present fairly, in all material respects, the company's assets, equity and liabilities and financial position as at 31 December 2019 and the company's financial performance for the financial year 1 January 2019 - 31 December 2019 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing and the 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 the auditor's report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements 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.

## Basis for Qualified Opinion

### Existence of inventories

We did not participate in the physical inventory counting as at 31 December 2019, as this date preceded our appointment as company auditor. The nature of the company's inventory record systems has not made it possible for us to satisfy ourselves of the existence of the company's inventories through other audit procedures.

## Responsibilities of management for the financial statements

### Management's responsibilities for the financial statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the Danish Financial Statements Act and for such internal control as the 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, the 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 unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibility

### 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 International Standards on Auditing 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 International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment 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, misrepresentation 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting in its preparation of 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 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 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 company 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 achieves fair presentation.

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's review**

The management is responsible for the management's review.

Our opinion on the financial statements does not include the management's review, and we do not express any form of opinion on the management's review.

In connection with our audit of the financial statements, it is our responsibility to read the management's review and in this connection consider whether the management's review is materially inconsistent with the financial statements or the knowledge we have obtained during our audit, or in any other way appears to be materially misstated.

Furthermore, it is our responsibility to consider whether the management's review contains the information required under the Danish Financial Statements Act.

Based on the work performed, we believe that the management's review is in accordance with the financial statements and has been prepared in accordance with the provisions of the Danish Financial Statements Act. We have not detected any material misstatement in the management's review.

Søborg, 07/09/2020

Anders Ladegaard , mne18830  
State Authorized Public Accountant  
Beierholm, Statsautoriseret Revisionspartnerselskab  
CVR: 32895468

# Management's Review

## **Principal activities**

The company's purpose is sale of womenswear etc.

## **Development in activities and economics conditions**

The company considers the result for the first year to be in line with expectations.

The equity has been lost and attempts are being made to restore the equity in 2020.

## **Events after the end of the financial year**

No events have occurred after the year-end of the financial year that may have a significant impact on the financial position of the company.



# Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class B.

The Annual Report has been prepared in DKK.

## GENERAL

Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities.

Any costs, including depreciation, amortisation and impairment, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is likely that future economic benefits 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 likely that future economic benefits will not accrue to the Company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant yield to maturity. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation on the difference between cost and nominal amount.

The recognition and measurement takes into account predictable losses and risks arising before the year-end reporting and which prove or disprove matters that existed at the balance sheet date.

The carrying amount of intangible and tangible fixed assets should be estimated annually to determine if there is any indication of impairment in excess of the amount reflected by normal amortisation or depreciation. If this is the case, write-down should be made to the lower recoverable amount.

## INCOME STATEMENT

### Gross Profit

Gross profit, in accordance with Danish financial statement act section 32 comprises the net turnover, cost of sales and external expenses.

### Net Revenue

Net revenue is measured at the fair value of the agreed remuneration, excluding VAT on behalf of a third party. All forms of rebates granted are recognised in net turnover.

### External expenses

External expenses comprise expenses incurred during the year for management and administration. Also in this items are write-downs for bad debt losses.

### Employee expenses

Employee expenses include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members.

### Financial income and financial expenses

Financial income and financial expenses include interest, financial expenses in connection with capital leases, realised and unrealised exchange rate gains and losses of securities, loans and transactions in foreign currencies, write-off of financial assets and financial commitments, and on account transactions, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

### **Tax for the year**

The tax for the year consists of the current tax and the deferred tax for the year. The tax relating to the results is recognised in the income statement, whereas the tax directly relating to equity entries is taken directly to equity.

## **BALANCE SHEET**

### **Receivables**

Receivables are measured at amortised cost. The value will be reduced by the provision for bad debts.

### **Goods for resale**

Goods for resale are measured at cost price. The value will be reduced by write down of non-marketable goods.

### **Current tax and deferred tax**

Current tax liabilities and tax receivables are recognised in the balance sheet as calculated tax of taxable income for the financial year adjusted for paid tax on account.

Deferred tax is measured on all temporary differences arising between the tax values of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax.

A change in the deferred tax, which is a result of changes to tax rates, is recognised in the income statement with the exception of items that are taken directly to equity.

### **Financial liabilities**

Financial liabilities are recognised initially at the proceeds net of loan expenses incurred. In the subsequent periods the financial liabilities are measured at amortised cost equal to the capitalised value by using the effective yield method in order for the difference between the proceeds and the redemption value to be recognised in the income statement over the period of the loan.

### **Other liabilities**

Other liabilities are measured at amortised cost corresponding substantially to nominal value.

### **Translation of foreign currencies**

Transactions in foreign currencies are translated at exchange rates approximating those in effect at the date of each transaction. Exchange rate differences arising between the transaction date rates and the rates at the date of payment are recognised under financial income and expenses in the income statement.

When exchange rate transactions are considered as hedging of future cash flows, the adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign exchange not settled at the balance sheet date are translated at the average of the buy and sell exchange rates available at the close of business on the balance sheet date. Differences between the exchange rates at the balance sheet date and the transaction date rates are recognised under financial income and expenses in the income statement.

# Income statement 30 Apr 2019 - 31 Dec 2019

	Disclosure	2019 kr.
Revenue .....		109,470
Cost of sales .....		-8,961
Administrative expenses .....		-295,547
<b>Gross Result .....</b>		<b>-195,038</b>
Employee expense .....		-49,859
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets .....		-3,783
<b>Profit (loss) from ordinary operating activities .....</b>		<b>-248,680</b>
Other finance income .....		847
Other finance expenses .....		-2,210
<b>Profit (loss) from ordinary activities before tax .....</b>		<b>-250,043</b>
Tax expense .....		0
<b>Profit (loss) .....</b>		<b>-250,043</b>
<b>Proposed distribution of results</b>		
Retained earnings .....		-250,043
<b>Proposed distribution of profit (loss) .....</b>		<b>-250,043</b>

# Balance sheet 31 December 2019

## Assets

	<b>Disclosure</b>	<b>2019</b>
		<b>kr.</b>
Fixtures, fittings, tools and equipment .....		109,694
<b>Property, plant and equipment .....</b>		<b>109,694</b>
Deposits .....		101,734
<b>Investments .....</b>		<b>101,734</b>
<b>Total non-current assets .....</b>		<b>211,428</b>
Manufactured goods and goods for resale .....		47,728
<b>Inventories .....</b>		<b>47,728</b>
Trade receivables .....		27,367
Receivables from vat and duties .....		36,450
Deferred income assets .....		29,618
<b>Receivables .....</b>		<b>93,435</b>
Cash and cash equivalents .....		45,234
<b>Current assets .....</b>		<b>186,397</b>
<b>Total assets .....</b>		<b>397,825</b>

# Balance sheet 31 December 2019

## Liabilities and equity

	<b>Disclosure</b>	<b>2019</b>
		<b>kr.</b>
Contributed capital .....		50,000
Retained earnings .....		-250,043
<b>Total equity .....</b>		<b>-200,043</b>
Trade payables .....		7,533
Payables to group enterprises .....		554,349
Other payables, including tax payables, liabilities other than provisions .....		35,986
<b>Short-term liabilities other than provisions, gross .....</b>		<b>597,868</b>
<b>Liabilities other than provisions, gross .....</b>		<b>597,868</b>
<b>Liabilities and equity, gross .....</b>		<b>397,825</b>

# Disclosures

## 1. Disclosure of contingent liabilities

The company has signed a rental agreement which is irrevocable for 12 month after signing of the contract in September 2019.

## 2. Information on average number of employees

	<b>2019</b>
Average number of employees .....	2