
HZW ApS

Gammel Mønt, st 10, DK-1117 København K

Annual Report for 2023

CVR No. 40 58 30 84

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 27/6 2024

Andreas Skappel
Holzweiler
Chairman of the
general meeting



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Management's statement

The Executive Board has today considered and adopted the Annual Report of HZW ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

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

København K, 27 June 2024

Executive Board

Andreas Skappel Holzweiler
Manager

Practitioner's Statement on Compilation of Financial Statements

To the Management of HZW ApS

We have compiled the Financial Statements of HZW ApS for the financial year 1 January - 31 December 2023 on the basis of the Company's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Hillerød, 27 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Brian Rønne Nielsen

State Authorised Public Accountant

mne33726

Company information

The Company

HZW ApS
Gammel Mønt, st 10
1117 København K
CVR No: 40 58 30 84
Financial period: 1 January - 31 December
Incorporated: 1 June 2019
Financial year: 5th financial year
Municipality of reg. office: København K

Executive Board

Andreas Skappel Holzweiler

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Milnersvej 43
DK-3400 Hillerød

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit		65,867	540,585
Staff expenses	2	-1,808,697	-982,148
Depreciation and impairment losses of property, plant and equipment		-586,697	-230,664
Other operating expenses		0	-8,000
Profit/loss before financial income and expenses		-2,329,527	-680,227
Financial income		620,074	22,531
Financial expenses	3	-368,438	-124,673
Profit/loss before tax		-2,077,891	-782,369
Tax on profit/loss for the year		0	0
Net profit/loss for the year		-2,077,891	-782,369
 Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Retained earnings		-2,077,891	-782,369
		-2,077,891	-782,369

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Leasehold improvements		1,878,758	2,185,260
Property, plant and equipment		1,878,758	2,185,260
Deposits		252,470	234,000
Fixed asset investments		252,470	234,000
Fixed assets		2,131,228	2,419,260
Finished goods and goods for resale		2,413,527	1,506,913
Inventories		2,413,527	1,506,913
Trade receivables		0	7,800
Other receivables		149,972	508,419
Corporation tax		14,000	0
Receivables		163,972	516,219
Cash at bank and in hand		105,523	3,016,718
Current assets		2,683,022	5,039,850
Assets		4,814,250	7,459,110

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		40,000	40,000
Retained earnings		-2,609,175	-531,284
Equity		-2,569,175	-491,284
Trade payables		122,094	488,229
Payables to group enterprises		7,096,895	7,271,328
Other payables		164,436	40,837
Deferred income		0	150,000
Short-term debt		7,383,425	7,950,394
Debt		7,383,425	7,950,394
Liabilities and equity		4,814,250	7,459,110
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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	40,000	-531,284	-491,284
Net profit/loss for the year	0	-2,077,891	-2,077,891
Equity at 31 December	40,000	-2,609,175	-2,569,175

Notes to the Financial Statements

1. Key activities

The main activity are distribution, sale and PR within the fashion industry, and other related activities.

2. Staff Expenses

	2023	2022
	DKK	DKK
Wages and salaries	1,655,418	866,988
Pensions	104,643	87,154
Other social security expenses	28,906	9,275
Other staff expenses	19,730	18,731
	<u>1,808,697</u>	<u>982,148</u>
Average number of employees	<u>4</u>	<u>2</u>

3. Financial expenses

	2023	2022
	DKK	DKK
Interest paid to group enterprises	357,355	95,564
Other financial expenses	12,586	18,799
Exchange loss	-1,503	10,310
	<u>368,438</u>	<u>124,673</u>

4. Contingent assets, liabilities and other financial obligations

	2023	2022
	DKK	DKK
Rental and lease obligations		
Lease obligations, period of non-terminability	1,125,000	1,575,000

Notes to the Financial Statements

5. Accounting policies

The Annual Report of HZW ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Notes to the Financial Statements

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with . The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

3-5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

Inventories

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.