A.P.C. Denmark ApS

c/o Plesner Advokatpartnerselskab, Amerika Plads 37, DK-2100 København Ø

Annual Report for 1 January - 31 December 2022

CVR No 41 55 18 44

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 8 /6 2023

François-Cyrille de Rendinger
Chairman of the General Meeting

Contents

pwc

Management's Statement

The Executive Board has today considered and adopted the Annual Report of A.P.C. Denmark ApS for the financial year 1 January - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and of the results of the Company operations for 2022.

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

Copenhagen, 8 June 2023

Executive Board

François-Cyrille de Rendinger
Executive Officer

Independent Auditor's Report

To the Shareholder of A.P.C. Denmark ApS

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of A.P.C. Denmark ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) 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 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 (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 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 liquidate the Company 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 Company'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 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 contents of the Financial Statements, including the disclosures, 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.

Hillerød, 8 June 2023
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Michael Krath
State Authorised Public Accountant
mne34155

Company Information

The Company	A.P.C. Denmark ApS c/o Plesner Advokatpartnerselskab Amerika Plads 37 DK-2100 København Ø CVR No: 41 55 18 44 Financial period: 1 January - 31 December Municipality of reg. office: København
Executive Board	François-Cyrille de Rendinger François-Cyrille de Rendinger
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Milnersvej 43 DK-3400 Hillerød

Income Statement 1 January - 31 December

	Note	2022	2021
		DKK	DKK
Gross profit/loss		**1.102.810**	**1.360.772**
Staff expenses	2	-1.683.582	-1.186.595
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	3	-504.031	-435.290
Profit/loss before financial income and expenses		**-1.084.803**	**-261.113**
Financial expenses	4	-239.174	-21.084
Profit/loss before tax		**-1.323.977**	**-282.197**
Tax on profit/loss for the year	5	287.465	62.083
Net profit/loss for the year		**-1.036.512**	**-220.114**

Distribution of profit

Proposed distribution of profit		
Retained earnings	-1.036.512	-220.114
	-1.036.512	**-220.114**

Balance Sheet 31 December

Assets

	Note	2022	2021
		DKK	DKK
Goodwill		1.300.000	0
Intangible assets	6	**1.300.000**	**0**
Other fixtures and fittings, tools and equipment		19.538	0
Leasehold improvements		3.940.422	4.079.006
Property, plant and equipment	7	**3.959.960**	**4.079.006**
Deposits		432.187	409.677
Fixed asset investments	8	**432.187**	**409.677**
Fixed assets		**5.692.147**	**4.488.683**
Finished goods and goods for resale		2.897.062	2.392.695
Prepayments for goods		4.014	0
Inventories		**2.901.076**	**2.392.695**
Trade receivables		0	18.278
Other receivables		0	500
Deferred tax asset		584.869	297.404
Prepayments		46.073	32.974
Receivables		**630.942**	**349.156**
Cash at bank and in hand		**1.693.257**	**2.591.431**
Currents assets		**5.225.275**	**5.333.282**
Assets		**10.917.422**	**9.821.965**

Balance Sheet 31 December

Liabilities and equity

	Note	2022	2021
		DKK	DKK
Share capital		40.000	40.000
Retained earnings		-2.090.943	-1.054.431
Equity		**-2.050.943**	**-1.014.431**
Credit institutions		8.564	1.219
Trade payables		1.031.640	544.983
Payables to group enterprises		11.605.924	9.905.336
Other payables		322.237	384.858
Short-term debt		**12.968.365**	**10.836.396**
Debt		**12.968.365**	**10.836.396**
Liabilities and equity		**10.917.422**	**9.821.965**
Key activities	1		
Contingent assets, liabilities and other financial obligations	9		
Accounting Policies	10		

Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	40.000	-1.054.431	-1.014.431
Net profit/loss for the year	0	-1.036.512	-1.036.512
Equity at 31 December	**40.000**	**-2.090.943**	**-2.050.943**

Notes to the Financial Statements

1 Key activities

The company's purpose is production and distribution of men's, women's and children's clothing and fashion accessories as well as other related business.

	2022	2021
	DKK	DKK
2 Staff expenses		
Wages and salaries	1.620.259	1.158.039
Other social security expenses	11.234	8.836
Other staff expenses	52.089	19.720
	1.683.582	**1.186.595**
Average number of employees	**5**	**4**

3 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

	2022	2021
Depreciation of property, plant and equipment	504.031	435.290
	504.031	**435.290**

Notes to the Financial Statements

4 Financial expenses

	2022	2021
	DKK	DKK
Interest paid to group enterprises	216.461	0
Other financial expenses	21.249	20.775
Exchange adjustments, expenses	1.464	309
	239.174	**21.084**

5 Tax on profit/loss for the year

	2022	2021
Current tax for the year	0	0
Deferred tax for the year	-287.465	-62.083
	-287.465	**-62.083**

6 Intangible assets

	Goodwill
	DKK
Cost at 1 January	0
Additions for the year	1.300.000
Cost at 31 December	1.300.000
Transfers for the year	0
Revaluations at 31 December	0
Impairment losses and amortisation at 1 January	0
Impairment losses and amortisation at 31 December	0
Carrying amount at 31 December	**1.300.000**

Notes to the Financial Statements

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	0	4.514.296
Additions for the year	20.899	364.085
Cost at 31 December	20.899	4.878.381
Impairment losses and depreciation at 1 January	0	435.290
Depreciation for the year	1.361	502.669
Impairment losses and depreciation at 31 December	1.361	937.959
Carrying amount at 31 December	**19.538**	**3.940.422**

8 Fixed asset investments

	Deposits
	DKK
Cost at 1 January	409.677
Additions for the year	22.510
Cost at 31 December	432.187
Carrying amount at 31 December	**432.187**

Notes to the Financial Statements

		2022	2021
		DKK	DKK
9	**Contingent assets, liabilities and other financial obligations**		
	Rental and lease obligations		
	Rent obligation	4.078.333	4.912.917

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of A.P.C. Denmark ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 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

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.

Notes to the Financial Statements

10 Accounting Policies (continued)

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.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

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

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

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

Notes to the Financial Statements

10 Accounting Policies (continued)

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.

Notes to the Financial Statements

10 Accounting Policies (continued)

Balance Sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 7 years.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

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:

Leasehold improvements	9 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

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

Fixed asset investments

Fixed asset investments consist of deposit.

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

Notes to the Financial Statements

10 Accounting Policies (continued)

inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

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.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

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.

Notes to the Financial Statements

10 Accounting Policies (continued)

Financial debts

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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