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# ***A.P.C. Denmark ApS***

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

## **Annual Report for 1 January - 31 December 2021**

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CVR No 41 55 18 44

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
6 /5 2022

Jean Touitou  
Chairman of the General  
Meeting



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## **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 2021.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

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

Copenhagen, 6 May 2022

### **Executive Board**

Joël Sraer  
Executive Officer

François-Cyrille de Rendinger  
Executive Officer

Jean Touitou  
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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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 2021, 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

# Independent Auditor's Report

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, 6 May 2022

**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**

Joël Sraer  
François-Cyrille de Rendinger  
Jean Touitou

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Milnersvej 43  
DK-3400 Hillerød

## Income Statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
<b>Gross profit/loss</b>		<b>1.360.772</b>	<b>-1.069.638</b>
Staff expenses	2	-1.186.595	0
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	3	-435.290	0
<b>Profit/loss before financial income and expenses</b>		<b>-261.113</b>	<b>-1.069.638</b>
Financial expenses	4	-21.084	0
<b>Profit/loss before tax</b>		<b>-282.197</b>	<b>-1.069.638</b>
Tax on profit/loss for the year	5	62.083	235.321
<b>Net profit/loss for the year</b>		<b>-220.114</b>	<b>-834.317</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		-220.114	-834.317
		<b>-220.114</b>	<b>-834.317</b>

# Balance Sheet 31 December

## Assets

	Note	2021 DKK	2020 DKK
Leasehold improvements		4.079.006	443.300
<b>Property, plant and equipment</b>	6	<b>4.079.006</b>	<b>443.300</b>
Deposits		409.677	403.750
<b>Fixed asset investments</b>	7	<b>409.677</b>	<b>403.750</b>
<b>Fixed assets</b>		<b>4.488.683</b>	<b>847.050</b>
<b>Inventories</b>		<b>2.392.695</b>	<b>0</b>
Trade receivables		18.278	0
Other receivables		500	285.679
Deferred tax asset		297.404	235.321
Prepayments		32.974	92.935
<b>Receivables</b>		<b>349.156</b>	<b>613.935</b>
<b>Cash at bank and in hand</b>		<b>2.591.431</b>	<b>0</b>
<b>Currents assets</b>		<b>5.333.282</b>	<b>613.935</b>
<b>Assets</b>		<b>9.821.965</b>	<b>1.460.985</b>



# Balance Sheet 31 December

## Liabilities and equity

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Share capital		40.000	40.000
Retained earnings		-1.054.431	-834.317
<b>Equity</b>		<b>-1.014.431</b>	<b>-794.317</b>
Credit institutions		1.219	0
Trade payables		544.983	44.000
Payables to group enterprises		9.905.336	2.211.302
Other payables		384.858	0
<b>Short-term debt</b>		<b>10.836.396</b>	<b>2.255.302</b>
<b>Debt</b>		<b>10.836.396</b>	<b>2.255.302</b>
<b>Liabilities and equity</b>		<b>9.821.965</b>	<b>1.460.985</b>
Key activities	1		
Contingent assets, liabilities and other financial obligations	8		
Accounting Policies	9		

## Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	40.000	-834.317	-794.317
Net profit/loss for the year	0	-220.114	-220.114
<b>Equity at 31 December</b>	<b>40.000</b>	<b>-1.054.431</b>	<b>-1.014.431</b>

# 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.

	<u>2021</u> DKK	<u>2020</u> DKK
<b>2 Staff expenses</b>		
Wages and salaries	1.158.039	0
Other social security expenses	8.836	0
Other staff expenses	<u>19.720</u>	<u>0</u>
	<b><u>1.186.595</u></b>	<b><u>0</u></b>
<b>Average number of employees</b>	<b><u>4</u></b>	<b><u>0</u></b>
<b>3 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment</b>		
Depreciation of property, plant and equipment	<u>435.290</u>	<u>0</u>
	<b><u>435.290</u></b>	<b><u>0</u></b>

## Notes to the Financial Statements

	2021 DKK	2020 DKK
<b>4 Financial expenses</b>		
Other financial expenses	20.775	0
Exchange adjustments, expenses	309	0
	<b>21.084</b>	<b>0</b>
<b>5 Tax on profit/loss for the year</b>		
Current tax for the year	0	0
Deferred tax for the year	-62.083	-235.321
	<b>-62.083</b>	<b>-235.321</b>
<b>6 Property, plant and equipment</b>		Leasehold improvements DKK
Cost at 1 January		443.300
Additions for the year		4.070.996
Cost at 31 December		4.514.296
Depreciation for the year		435.290
Impairment losses and depreciation at 31 December		435.290
<b>Carrying amount at 31 December</b>		<b>4.079.006</b>
<b>7 Fixed asset investments</b>		Deposits DKK
Cost at 1 January		403.750
Additions for the year		5.927
Cost at 31 December		409.677
<b>Carrying amount at 31 December</b>		<b>409.677</b>

## Notes to the Financial Statements

	<u>2021</u> DKK	<u>2020</u> DKK
<b>8 Contingent assets, liabilities and other financial obligations</b>		
<b>Rental and lease obligations</b>		
Rent obligation, three months notice plus current month	4.912.917	5.696.667

# Notes to the Financial Statements

## 9 Accounting Policies

The Annual Report of A.P.C. Denmark ApS for 2021 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 2021 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

## 9 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

## 9 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

## 9 Accounting Policies (continued)

### 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:

Leasehold improvements	9 years
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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 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 di-

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

rect 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.

### 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.