

Retailors Denmark ApS

H.C. Andersens Boulevard 38, 3. th

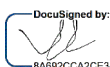
1553 København V

CVR No. 42368865

Annual Report 2023

3. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 11 July 2024

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Tomer Czarnik
Chairman

Retailors Denmark ApS

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Retailors Denmark ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of Retailors Denmark ApS for the financial year 1 January 2023 - 31 December 2023.

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

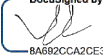
In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

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

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

Copenhagen, 11 July 2024

Executive Board

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Tomer Czapnik
Managing Director

Ondertekend door:

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Alon Elmaliyah
Managing Director

Retailors Denmark ApS

Independent Auditors' Report**To the shareholders of Retailors Denmark ApS****Conclusion**

We have performed an extended review of the financial statements of Retailors Denmark ApS for the financial year 1 January 2023 - 31 December 2023, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section of our report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence

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.

Emphasis of matter regarding the extended review

As from the current financial year, the Company is subject to audit obligations, and in this connection, it has been decided to have the auditor conduct an extended review of the financial statements. We wish to emphasise that, as stated in the financial statements, the comparative figures in the financial statements have not been subject to an audit or an extended review.

Management's responsibility 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Retailors Denmark ApS

Independent Auditors' Report

Statement on Management's Review

Management is responsible for the Management's review.

Our conclusion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 11 July 2024

EY Godkendt Revisionspartnerselskab

CVR-no. 30700228



Henrik Pedersen
State Authorised Public Accountant
mne35456



Thomas Just Svendsen
State Authorised Public Accountant
mne49895

Retailors Denmark ApS

Company details

Company	Retailors Denmark ApS H.C. Andersens Boulevard 38, 3. th 1553 København V
CVR No.	42368865
Financial year	1 January 2023 - 31 December 2023
Executive Board	Tomer Czapnik Alon Elmaliyah
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 P.O. Box 250 2000 Frederiksberg CVR-no.: 30700228

Retailors Denmark ApS

Management's Review

The Company's principal activities

The Company's principal activities is to trade, purchase, represent, import and export all kinds of fashion items, clothing and footwear as well as related business in Denmark.

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK 1.535.169 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 55.042.515 and an equity of DKK 1.527.179.

Material changes in the Company's operations and financial matters

After the balance sheet date, the parent company have extended the loan of DKK 20.458 thousand, so that it will not mature within 12 months from 31 December 2023.

There were no other significant event after the balance sheet date and accounting policies remain unchanged from previous year.

Retailors Denmark ApS

Accounting Policies

Reporting Class

The annual report of Retailors Denmark ApS for 2023 has been presented in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies applied remain unchanged from last year. Certain reclassifications with the balance sheet were made in the current and previous year, which have no impact on the results of the years.

Reporting currency

The annual report is presented in Danish kroner. All other currencies are considered foreign currencies.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates at the balance sheet day.

Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

General information

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, capital and exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Retailors Denmark ApS

Accounting Policies

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, change in inventories of finished goods and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Other operating income

Other operating income comprises items of a secondary nature to the activities of the enterprises, including management services.

Raw materials and consumables used

Costs for raw materials and consumables comprise the cost of goods purchased less discounts, costs subcontractors and change in inventories for the year.

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses, etc.

External expenses comprise selling costs, facility costs and administrative expenses.

Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Tax on net profit for the year

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax.

The Company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

Retailors Denmark ApS

Accounting Policies

Balance sheet

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Property, plant and equipment

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

Other fixtures and fittings, tools and equipment	5 years	0%
Leasehold improvements	10 years	0%

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs and other costs directly related to the purchase.

The net realisable value of inventories is determined as the selling price less any discounts, costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortized 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.

Retailors Denmark ApS

Accounting Policies

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Provisions

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base 22% of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Liabilities other than provisions

Other payables

The Company has chosen IAS 39 as interpretation for liabilities.

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Accruals and deferred income entered as liabilities

Accruals and deferred income entered as liabilities consist of payments received, rent discounts and rent contribution on premises regarding income in the subsequent financial years.

Retailors Denmark ApS

Income Statement

	Note	2023 DKK	2022 DKK
Gross profit		20.122.296	4.063.401
Staff expenses	2	-14.175.685	-3.157.775
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-3.299.092	-385.312
Writedowns of current assets other than current financial assets		0	-118.748
Profit from ordinary operating activities		2.647.519	401.566
Other finance income	3	533	29.924
Finance expenses	4	-843.791	-372.219
Profit from ordinary activities before tax		1.804.261	59.271
Tax for the year	5	-269.092	-17.620
Profit		1.535.169	41.651
 Proposed distribution of results			
Retained earnings		1.535.169	41.651
Distribution of profit		1.535.169	41.651

Retailors Denmark ApS

Balance Sheet as of 31 December

	Note	2023 DKK	2022 DKK
Assets			
Fixtures, fittings, tools and equipment		1.999.546	1.993.639
Leasehold improvements		26.148.127	25.963.838
Property, plant and equipment	6	28.147.673	27.957.477
Fixed assets		28.147.673	27.957.477
Manufactured goods and goods for resale		9.726.824	12.041.365
Prepayments for goods		0	233.678
Inventories		9.726.824	12.275.043
Short-term receivables from group enterprises		8.942.784	1.671.182
Short-term tax receivables		0	77.798
Other short-term receivables		1.034.127	7.173.002
Prepayments		4.154.587	0
Receivables		14.131.498	8.921.982
Cash and cash equivalents		3.036.520	30.699.291
Current assets		26.894.842	51.896.316
Assets		55.042.515	79.853.793

Retailors Denmark ApS

Balance Sheet as of 31 December

	Note	2023 DKK	2022 DKK
Liabilities and equity			
Contributed capital		40.000	40.000
Retained earnings		1.487.179	-47.990
Equity		1.527.179	-7.990
Provisions for deferred tax	7	179.077	70.135
Provisions		179.077	70.135
Payables to group enterprises		0	30.267.452
Long-term liabilities other than provisions		0	30.267.452
Trade payables		9.683.362	24.310.061
Payables to group enterprises		22.137.549	1.501.838
Tax payables		82.352	0
Other payables		2.765.639	2.884.326
Deferred income, liabilities		18.667.357	20.827.971
Short-term liabilities other than provisions		53.336.259	49.524.196
Liabilities other than provisions		53.336.259	79.791.648
Liabilities and equity		55.042.515	79.853.793
Contingent liabilities	8		
Collaterals and assets pledged as security	9		
Related parties	10		

Retailors Denmark ApS**Statement of changes in Equity**

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	40.000	-47.990	-7.990
Profit (loss)	0	1.535.169	1.535.169
Equity 31 December 2023	40.000	1.487.179	1.527.179

The Company's parent company has provided a letter of support to the Company with a statement to provide financial support and necessary liquidity to the Company, in case needed. The letter of support is provided for a period of 12 months from the date of approval of financial statements for 2023.

Retailors Denmark ApS**Notes****1. Audit**

The audit for FY2022 has not been conducted.

2. Staff expenses

	2023	2022
	DKK	DKK
Wages and salaries	12.378.157	2.628.611
Post-employment benefit expense	60.503	0
Social security contributions	1.365.958	89.444
Other employee expense	371.067	439.720
	14.175.685	3.157.775
Average number of employees	36	5

3. Other finance income

	2023	2022
	DKK	DKK
Other finance income	533	29.924
	533	29.924

4. Finance expenses

	2023	2022
	DKK	DKK
Finance expenses arising from group enterprises	573.010	192.703
Other finance expenses	270.781	179.516
	843.791	372.219

5. Tax expense

	2023	2022
	DKK	DKK
Current tax expense	135.571	0
Adjustments for deferred tax	108.942	17.620
Adjustments for current tax of prior period	24.579	0
	269.092	17.620

Retailors Denmark ApS**Notes****6. Property, plant and equipment**

	Fixtures, fittings, tools and equipment	Leasehold improvements
	2023	2023
	DKK	DKK
Cost at the beginning of the year	2.046.198	26.290.864
Addition during the year, incl. improvements	459.831	3.031.489
Cost at the end of the year	2.506.029	29.322.353
Depreciation and amortisation at the beginning of the year	-52.559	-327.026
Amortisation for the year	-453.924	-2.846.776
Impairment losses and amortisation at the end of the year	-506.483	-3.173.802
Carrying amount at the end of the year	1.999.546	26.148.551

7. Provisions for deferred tax

	2023	2022
	DKK	DKK
Provision for deferred tax	179.077	70.135
Balance at the end of the year	179.077	70.135

8. Contingent liabilities

The company has a commitment related to the lease contracts with a rent obligation of TDKK 76.778 and remaining contract periods of 5-9 years.

9. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

10. Consolidation - Related parties

Name and registered office of the parent preparing consolidated financial statements for the smallest group:
Retailors Europe BV, Kalverstraat 185, 1012XC Amsterdam, Holland