
ET Europe ApS

Loftbrovej 28, DK-9400 Nørresundby

Annual Report for
11 April 2022 - 30 June 2023

CVR No. 43 19 08 06

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 6/11 2023

Mark Fjeldal Dalsgaard
Nielsen
Chairman of the
general meeting



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Management's statement

The Executive Board has today considered and adopted the Financial Statements of ET Europe ApS for the financial year 11 April 2022 - 30 June 2023.

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 30 June 2023 of the Company and of the results of the Company operations for 2022/23.

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

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Nørresundby, 6 November 2023

Executive Board

Søren Lønberg Larsen

Mark Fjeldal Dalsgaard Nielsen

Independent Auditor's report

To the shareholder of ET Europe ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2023 and of the results of the Company's operations for the financial year 11 April 2022 - 30 June 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of ET Europe ApS for the financial year 11 April 2022 - 30 June 2023, 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, in our view, 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 in Management's Review.

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.

Independent Auditor's report

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.

Aalborg, 6 November 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Mads Meldgaard

State Authorised Public Accountant

mne24826

Line Borregaard

State Authorised Public Accountant

mne34353

Company information

The Company

ET Europe ApS
Loftbrovej 28
DK-9400 Nørresundby

CVR No: 43 19 08 06

Financial period: 11 April 2022 - 30 June 2023

Incorporated: 11 April 2022

Financial year: 1st financial year

Municipality of reg. office: Aalborg

Executive Board

Søren Lønberg Larsen
Mark Fjeldal Dalsgaard Nielsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Skelagervej 1A
DK-9000 Aalborg

Management's review

Key activities

The company's purpose is to conduct international trade, including the import and export of goods, as well as other related activities at the discretion of the management.

Development in the year

The income statement of the Company for 2022/23 shows a profit of DKK 41,063, and at 30 June 2023 the balance sheet of the Company shows positive equity of DKK 81,063.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 11 April 2022 - 30 June 2023

	Note	2022/23 DKK 15 months
Gross profit/loss		1,951,229
Staff expenses	2	-1,427,620
Profit/loss before financial income and expenses		523,609
Financial income		14,917
Financial expenses	3	-483,543
Profit/loss before tax		54,983
Tax on profit/loss for the year	4	-13,920
Net profit/loss for the year		41,063

Distribution of profit

	2022/23 DKK
Proposed distribution of profit	
Retained earnings	41,063
	41,063

Balance sheet 30 June 2023

Assets

	<u>Note</u>	<u>2022/23</u>
		DKK
Finished goods and goods for resale		12,574,312
Inventories		<u>12,574,312</u>
Trade receivables		3,611,263
Other receivables		1,458,462
Receivables		<u>5,069,725</u>
Cash at bank and in hand		<u>1,478,261</u>
Current assets		<u>19,122,298</u>
Assets		<u>19,122,298</u>

Balance sheet 30 June 2023

Liabilities and equity

	<u>Note</u>	<u>2022/23</u>
		DKK
Share capital		40,000
Retained earnings		41,063
Equity		<u>81,063</u>
Trade payables		1,768,627
Payables to group enterprises		17,198,247
Payables to group enterprises relating to corporation tax		13,920
Other payables		60,441
Short-term debt		<u>19,041,235</u>
Debt		<u>19,041,235</u>
Liabilities and equity		<u>19,122,298</u>
Going concern	1	
Contingent assets, liabilities and other financial obligations	5	
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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 11 April	0	0	0
Cash payment concerning formation of entity	40,000	0	40,000
Net profit/loss for the year	0	41,063	41,063
Equity at 30 June	40,000	41,063	81,063

Notes to the Financial Statements

1. Going concern

The going concern of ET Europe ApS is dependent on financing provided by the parent company. By submitting a statement of support, the parent company agrees to provide the necessary liquidity to ET Europe ApS until July 1, 2024. As a result, the financial statements are prepared on the assumption of a going concern.

	<u>2022/23</u> DKK
2. Staff Expenses	
Wages and salaries	1,384,132
Pensions	12,400
Other staff expenses	<u>31,088</u>
	<u>1,427,620</u>
 Average number of employees	 <u>1</u>

	<u>2022/23</u> DKK
3. Financial expenses	
Interest paid to group enterprises	400,231
Other financial expenses	37,864
Exchange loss	<u>45,448</u>
	<u>483,543</u>

	<u>2022/23</u> DKK
4. Income tax expense	
Current tax for the year	<u>13,920</u>
	<u>13,920</u>

Notes to the Financial Statements

2022/23

DKK

5. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	63,000
	<u>63,000</u>

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Coolshop Holding ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

6. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

Name	Place of registered office
Entertainment Trading A/S	Loftbrovej 28, 9400 Nørresundby

Notes to the Financial Statements

7. Accounting policies

The Annual Report of ET Europe ApS for 2022/23 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 Financial Statements for 2022/23 are presented in DKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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.

Income statement

Net sales

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 as well as office expenses, etc.

Notes to the Financial Statements

Gross profit/loss

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.

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 danish group companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Inventories

Inventories are measured at the lower of cost based on weighted average prices 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 goods for resale equals landed cost.

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.

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, including the tax base of tax loss carry-forwards, 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.

Notes to the Financial Statements

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

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