

## **Zegna Denmark ApS**

C/O DLA Piper Denmark  
Hack Kampmanns Plads 2, 3.1  
8000 Aarhus C

CVR no. 43 94 72 81

**Annual report for the period  
14 March to 31 December 2023**

(1st Financial year)

Adopted at the annual general meeting on  
13. juni 2024

---

Francis Georges Franck Gros  
chairman

## Table of contents

	Page
<b>Statements</b>	
Statement by management on the annual report	1
Auditor's report on compilation of the financial statements	2
<b>Management's review</b>	
Company details	3
Management's review	4
<b>Financial statements</b>	
Accounting policies	5
Income Statement	9
Balance Sheet	10
Statement of changes in equity	12
Notes	13

## **Statement by management on the annual report**

The supervisory board and executive board have today discussed and approved the annual report of Zegna Denmark ApS for the financial year 14 March - 31 December 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 company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 14 March - 31 December 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Aarhus, 29 June 2024

### **Executive board**

Antonio Caccavella  
Director

### **Supervisory board**

Francis Georges Franck Gros      Antonio Caccavella  
chairman

## **Auditor's report on compilation of the financial statements**

### **To the shareholder of Zegna Denmark ApS**

We have compiled the financial statements of Zegna Denmark ApS for the financial year 14 March - 31 December 2023 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Hellerup, 29 June 2024

CVR no. 33 25 68 76



Søren Jonassen  
State Authorized Public Accountant  
mne18488

## Company details

### The company

Zegna Denmark ApS  
C/O DLA Piper Denmark  
Hack Kampmanns Plads 2, 3.1  
8000 Aarhus C

Website: [www.zegna.com](http://www.zegna.com)

CVR no.: 43 94 72 81

Reporting period: 14 March - 31 December 2023

Incorporated: 14 March 2023

Financial year: 1st financial year

Domicile: Aarhus

### Supervisory board

Francis Georges Franck Gros, chairman  
Antonio Caccavella

### Executive board

Antonio Caccavella, director

### Auditors

Crowe  
Statsautoriseret Revisionsinteressentskab v.m.b.a.  
Rygårds Allé 104  
2900 Hellerup

## **Management's review**

### **Business review**

The Company operates as a retailer of menswear top end products of the Zegna Group's brands.

### **Financial review**

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 16,268, and the balance sheet at 31 December 2023 shows equity of DKK 6,383,732.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

## **Accounting policies**

The annual report of Zegna Denmark ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B and the Accounting Standard on small enterprises, as well as provisions applying to reporting class C entities.

The annual report for 2023 is presented in DKK.

As 2023 is the company's first reporting period, no comparatives have been presented.

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortized cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

### **Income statement**

#### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, other operating income less costs of consumables and other external expenses.

#### **Revenue**

Income from the sale of goods for resale is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

# Accounting policies

## Expenses for consumables (CoGS)

Costs of consumables include the consumables used in generating the year's revenue.

## Staff costs

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.

## Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on liabilities and foreign currency transactions and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

## Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## Balance sheet

### Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

Assets costing less than DKK 32.000 are expensed in the year of acquisition.

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.



## **Accounting policies**

### **Stocks**

Stocks are measured at cost using the weighted average method.

The cost of goods for resale and consumables comprises the purchase price.

The net realisable value of stock is determined considering marketability, obsolescence and expected selling price.

### **Receivables**

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

### **Equity**

#### **Dividends**

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

#### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

### **Liabilities**

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### **Deferred income**

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

## **Accounting policies**

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

**Income statement**  
**14 March 2023 - 31 December 2023**

	<u>Note</u>	<u>2023</u> DKK
<b>Gross profit</b>		<b>3,049,150</b>
Staff costs	1	-2,166,517
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-777,061</u>
<b>Profit/loss before net financials</b>		<b>105,572</b>
Financial income	2	42,241
Financial costs		<u>-12,844</u>
<b>Profit/loss before tax</b>		<b>134,969</b>
Tax on profit/loss for the year	3	<u>-151,237</u>
<b>Profit/loss for the year</b>		<b><u><u>-16,268</u></u></b>
 <b>Recommended appropriation of profit/loss</b>		
Retained earnings		<u>-16,268</u>
		<b><u><u>-16,268</u></u></b>

## Balance sheet at 31 December 2023

	<u>Note</u>	<u>2023</u> DKK
<b>Assets</b>		
Other fixtures and fittings, tools and equipment	4	2,329,206
Leasehold improvements	4	<u>3,120,518</u>
<b>Tangible assets</b>		<b><u>5,449,724</u></b>
<b>Total non-current assets</b>		<b><u>5,449,724</u></b>
Finished goods and goods for resale		<u>3,439,801</u>
<b>Stocks</b>		<b><u>3,439,801</u></b>
Receivables from subsidiaries		7,400,237
Prepayments		<u>180</u>
<b>Receivables</b>		<b><u>7,400,417</u></b>
<b>Total current assets</b>		<b><u>10,840,218</u></b>
<b>Total assets</b>		<b><u><u>16,289,942</u></u></b>

## Balance sheet at 31 December 2023

	<u>Note</u>	<u>2023</u> DKK
<b>Equity and liabilities</b>		
Share capital		400,000
Retained earnings		<u>5,983,732</u>
<b>Equity</b>		<b><u>6,383,732</u></b>
Provision for deferred tax		133,241
Other provisions		<u>82,244</u>
<b>Total provisions</b>		<b><u>215,485</u></b>
Payables to subsidiaries		8,934,126
Corporation tax		17,996
Other payables		692,275
Deferred income		<u>46,328</u>
<b>Total current liabilities</b>		<b><u>9,690,725</u></b>
<b>Total liabilities</b>		<b><u>9,690,725</u></b>
<b>Total equity and liabilities</b>		<b><u><u>16,289,942</u></u></b>

## Statement of changes in equity

	<u>Share capital</u>	<u>Share premium account</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 14 March 2023	0	0	0	0
Cash payments concerning formation of entity	400,000	6,000,000	0	6,400,000
Transfers, reserves	0	-6,000,000	6,000,000	0
Net profit/loss for the year	0	0	-16,268	-16,268
<b>Equity at 31 December 2023</b>	<b><u>400,000</u></b>	<b><u>0</u></b>	<b><u>5,983,732</u></b>	<b><u>6,383,732</u></b>

## Notes

	<u>2023</u>
	DKK
<b>1 Staff costs</b>	
Wages and salaries	2,081,344
Pensions	68,803
Other social security costs	<u>16,370</u>
	<b><u><u>2,166,517</u></u></b>
Number of fulltime employees on average	<u>4</u>
<b>2 Financial income</b>	
Interest received from subsidiaries	38,398
Exchange adjustments	<u>3,843</u>
	<b><u><u>42,241</u></u></b>
<b>3 Tax on profit/loss for the year</b>	
Current tax for the year	17,996
Deferred tax for the year	<u>133,241</u>
	<b><u><u>151,237</u></u></b>

## Notes

### 4 Tangible assets

	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 14 March 2023	0	0
Additions for the year	2,735,401	3,522,944
Disposals for the year	-34,429	0
Cost at 31 December 2023	<u>2,700,972</u>	<u>3,522,944</u>
Impairment losses and depreciation at 14 March 2023	0	0
Depreciation for the year	374,637	402,426
Reversal of impairment and depreciation of sold assets	-2,871	0
Impairment losses and depreciation at 31 December 2023	<u>371,766</u>	<u>402,426</u>
<b>Carrying amount at 31 December 2023</b>	<b><u><u>2,329,206</u></u></b>	<b><u><u>3,120,518</u></u></b>

### 5 Contingent liabilities

The company has entered into operating leases at the following amounts.

Term to maturity in 1 months with an average payment of DKK 7 thousand, totalling DKK 7 thousand.

The company has entered into operating leases which cannot reliably be measured.

### 6 Mortgages and collateral

None.