

**Watches of Switzerland Group
(Denmark) ApS**

Amaliegade 6, 2. tv, 1256 København K

Company reg. no. 42 91 34 99

Annual report

1 May 2024 - 30 April 2025

The annual report was submitted and approved by the general meeting on the 10 October 2025.

Craig Bolton
Chair of the meeting

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Management's statement

Today, the Executive Board has approved the annual report of Watches of Switzerland Group (Denmark) ApS for the financial year 1 May 2024 - 30 April 2025.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 April 2025 and of the results of the Company's operations for the financial year 1 May 2024 – 30 April 2025.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 10 October 2025

Executive board

Mathieu Vincent Henri-Francois Pouletty
Director

Craig Bolton
Director

Independent auditor's report

To the Shareholder of Watches of Switzerland Group (Denmark) ApS

Opinion

We have audited the financial statements of Watches of Switzerland Group (Denmark) ApS for the financial year 1 May 2024 – 30 April 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 of the Company at 30 April 2025 and of the results of the Company's operations for the financial year 1 May 2024 – 30 April 2025 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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 as to 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 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 the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and 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 note 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion 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 audit 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 audit, 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.

Independent auditor's report

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.

Frederiksberg, 10 October 2025

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Karen Jørgensen
mne40029

Company information

The company	Watches of Switzerland Group (Denmark) ApS Amaliegade 6, 2. tv 1256 København K
	Company reg. no. 42 91 34 99 Domicile: Copenhagen Financial year: 1 May 2024 - 30 April 2025
Executive board	Mathieu Vincent Henri-Francois Pouletty, Director Craig Bolton, Director
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 2000 Frederiksberg

Management's review

Description of key activities of the Company

The key activities of the Company is to sell luxury watches through physical mono-brand boutiques.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

Unusual matters

At the end of the financial year ended 30 April 2025, the Company was in negotiations with its brand partners for the transfer of its mono-brand boutiques. This impacts the Company's financial position at 30 April 2025 and the results of its operations for the financial year ended 30 April 2025. An impairment of the non-current assets of DKK 4,332,099 has been recognized at 30 April 2025.

Development in activities and financial matters

The Company's income statement for the year ended 30 April 2025 shows a loss of DKK 6,854,364 and the balance sheet at 30 April 2025 shows equity of DKK 103,257.

The result for the year is negatively impacted by impairment of DKK 4,332,099 related to the non-current assets recognized in the income statement as "Depreciation and impairment of non-current assets".

Information on going concern

In the period, the Company received a capital contribution from its immediate parent amounting to DKK 35,000,000. This was made to recapitalize the Company as it lost more than 50% of its share capital in previous periods.

The company has received a letter of support from the shareholder, hence we have presented the financial statement under a going concern assumption.

Significant events occurring after the end of the financial year

As noted above, at the end of the financial year ended 30 April 2025, the Company was in negotiations with its brand partners for the transfer of its mono-brand boutiques. Negotiations have concluded after the year-end date and the Annual report reflects the latest position as at the date of signing the accounts. As a result of these agreements, the Company has subleased its leased boutiques to brand partners.

Income statement

All amounts in DKK.

Note	01/05/2024 - 30/04/2025	01/05/2023 - 30/04/2024
	4,746,552	-1,134,897
3	Staff costs	-4,995,816
	Depreciation and impairment of non-current assets	-5,948,721
2	Other operating (expenses)/income	1,635,493
	Result before net financials	-4,562,492
	Other financial income	22,414
4	Other financial expenses	-2,314,286
	Result before tax	-6,854,364
	Tax on net result for the year	0
	Net loss for the year	-6,854,364
	Distribution of loss for the year:	
	Transferred to retained earnings	-6,854,364
	-6,854,364	-18,293,835

Balance sheet

All amounts in DKK.

Assets

Note	30/04/2025	30/04/2024
Non-current assets		
Acquired IT licenses and similar rights	507,281	577,532
Total intangible assets	507,281	577,532
Other fixtures and fittings, tools, equipment and leasehold improvements	3,046,963	8,925,434
Total property, plant and equipment	3,046,963	8,925,434
Total non-current assets	3,554,244	9,502,966
Current assets		
Goods for resale	19,885,453	20,104,079
Total inventories	19,885,453	20,104,079
Trade receivables	0	8,481
Other receivables	629,345	170,000
Prepayments	525,750	113,964
Total receivables	1,155,095	292,445
Cash and cash equivalents	865,907	2,301,734
Total current assets	21,906,455	22,698,258
Total assets	25,460,699	32,201,224

Balance sheet

All amounts in DKK.

Equity and liabilities

Note		30/04/2025	30/04/2024
	Equity		
	Contributed capital	40,000	40,000
	Retained earnings	63,257	-28,082,379
	Total equity	103,257	-28,042,379
	Provisions		
6	Provisions	596,009	5,361,705
	Total provisions	596,009	5,361,705
	Liabilities other than provisions		
5	Payables to group entities	22,140,550	45,274,855
	Total long-term liabilities other than provisions	22,140,550	45,274,855
	Trade payables	1,953,921	2,500,897
	Payables to group entities	0	10,912
	Other payables	666,962	7,095,234
	Total short-term liabilities other than provisions	2,620,883	9,607,043
	Total liabilities other than provisions	24,761,433	54,881,898
	Total equity and liabilities	25,460,699	32,201,224

1 Uncertainties relating to going concern

7 Group relations

8 Post-balance sheet events

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
At 30 April 2023	40,000	-9,788,544	-9,748,544
Loss for the Financial year	0	-18,293,835	-18,293,835
At 30 April 2024	40,000	-28,082,379	-28,042,379
Loss for the Financial year	0	-6,854,364	-6,854,364
Capital Contribution	0	35,000,000	35,000,000
At 30 April 2025	40,000	63,257	103,257

Notes

All amounts in DKK.

1. Uncertainties relating to going concern

In the period, the Company received a capital contribution from its immediate parent amounting to DKK 35,000,000. This was made to recapitalise the Company as it lost more than 50% of its share capital in previous periods.

The company has received a letter of support from the shareholder, hence we have presented the financial statement under a going concern assumption.

2. Special items

Special items comprise significant income and expenses of a special nature relative to the Company's revenue-generating operating activities. Special items may comprise expenses incurred for extensive restructuring of processes and basic structural adjustments as well as any related disposal gains and losses, that have a material impact over time. Special items also comprise significant one-off items that, in Management's opinion, do not form part of the Company's primary operating activities and that are deemed not to be recurring.

	01/05/2024- 30/04/2025	01/05/2023- 30/04/2024
Expenses		
Dilapidation and Onerous contract provision	3,605,255	5,304,354
Impairment of fixed and intangible assets	4,332,099	1,877,800
Release of rent-free period provision	(5,225,000)	0
Special items included in Other operating (expenses)/income	2,712,354	7,182,154

3. Staff costs

	01/05/2024- 30/04/2025	01/05/2023- 30/04/2024
Salaries and wages	4,249,152	4,734,896
Pension costs	498,518	604,685
Other costs for social security	248,146	287,624
	4,995,816	5,627,205
Average number of employees	10	12

Notes

All amounts in DKK.

4. Other financial expenses

	01/05/2024- 30/04/2025	01/05/2023- 30/04/2024
Financial costs, group enterprises	2,306,274	2,099,999
Other financial costs	8,012	20,953
	2,314,286	2,120,952

5. Payables to group entities

Amounts owed to group undertakings are unsecured, and incur an annual interest charge of the Central Bank of Denmark Base Rate plus 2% margin. The loan is not due for repayment in the next 12 months.

6. Provisions

	30 April 2025		30 April 2024	
	Current	Non-current	Current	Non-current
Dilapidations	0	0	0	870,884
Onerous	596,009	0	4,176,960	313,861
Total	596,009	0	4,176,960	1,184,745

Movement of dilapidations provision

At 30 April 2024	870,884
Created in the year	0
Utilised in the year	870,884
At 30 April 2025	0

Movement of onerous provision

At 30 April 2024	4,490,821
Created in the year	596,009
Utilised in the year	4,490,821
At 30 April 2025	596,009

At the end of the reporting period, the Company had minimum lease payments amounting to DKK 11,600,000. After the period end, the Company has subleased its leased boutiques to brand partners.

Notes

All amounts in DKK.

7. Group relations

Consolidated financial statements

The company is included in the consolidated financial statements of Watches of Switzerland Group PLC.

The largest and smallest group in which the results of the company are consolidated is that headed by Watches of Switzerland Group PLC, whose registered office is Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT, incorporated in England in the UK.

The consolidated financial statements of Watches of Switzerland Group PLC are available to the public and may be obtained from www.thewosgroupplc.com.

8. Post-balance sheet events

At the end of the financial year, the Company was in negotiations with its brand partners for the transfer of its mono-brand boutiques. This impacts the company's financial position at 30 April 2025 and the results of its operations for the financial year ended 30 April 2025. This has impacted the valuation of non-current assets and led to the requirement for a number of onerous provisions.

Accounting policies

The annual report for Watches of Switzerland Group (Denmark) ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The annual report has been prepared consistent with as last year.

The annual report is presented in DKK.

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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 at 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.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross loss

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue. Gross loss comprises the revenue, changes in inventories of finished goods, less costs of other external costs.

Accounting policies

Revenue

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external expenses

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs for staff members.

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, write-down for impairment of intangible and tangible assets, respectively.

Other operating expenses

Other operating expenses comprise pre-opening costs and items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Special items

Special items comprise significant income and expenses of a special nature relative to the Company's revenue-generating operating activities. Special items may comprise expenses incurred for extensive restructuring of processes and basic structural adjustments as well as any related disposal gains and losses, that have a material impact over time. Special items also comprise significant one-off items that, in Management's opinion, do not form part of the Company's primary operating activities and that are deemed not to be recurring.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised capital gains and losses relating debt and transactions in foreign currency as well as surcharges and reimbursements under the advance tax scheme, etc.

Accounting policies

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Balance Sheet

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Accounting policies

Property, plant, and equipment

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is calculated on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment and leasehold improvements	3-10 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Property, plant, and equipment in progress

Property, plant, and equipment in progress are measured and recognised as the total costs incurred plus indirect costs and finance costs. When the work has been completed, the total value is transferred to the relevant item under property, plant, and equipment and is depreciated from the date of entry into service.

Accounting policies

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value of the asset being leased or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. A write-down for impairment is applied to the carrying amount when the recoverable amount is lower.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Accounting policies

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Provisions

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation, settlement by a transfer of economic benefit is probable, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the period that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.