



Killa Switch ApS

Karlskogavej 6 A
9200 Aalborg SV
CVR No. 43138405

Annual report 2023

The Annual General Meeting adopted the annual report on 02.07.2024

Jesper Krabbe

Chairman of the General Meeting

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Entity details

Entity

Killa Switch ApS
Karlskogavej 6 A
9200 Aalborg SV

Business Registration No.: 43138405
Registered office: Aalborg
Financial year: 01.01.2023 - 31.12.2023

Executive Board

Jesper Krabbe

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Østre Havnepromenade 26, 4th floor
9000 Aalborg

Statement by Management

The Executive Board has today considered and approved the annual report of Killa Switch ApS for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Aalborg, 02.07.2024

Executive Board

Jesper Krabbe

Independent auditor's extended review report

To the shareholders of Killa Switch ApS

Conclusion

We have performed an extended review of the financial statements of Killa Switch ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity 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 to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of Management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

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

Statement on the management commentary

Management is responsible for the management commentary.

Our conclusion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aalborg, 02.07.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mikkel Hede Olsen

State Authorised Public Accountant
Identification No (MNE) mne47791

Management commentary

Primary activities

The company's main activities consist of importing and exporting disposable vapers, as well as producing and exporting e-liquids.

Description of material changes in activities and finances

The income statement for the period 01.01.23 - 31.12.23 shows a result of -319k DKK. The balance sheet shows an equity of 2.729k DKK.

The annual result is affected by a significant write-down at mDKK 2,3 of the company's inventory.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		(298,450)	3,861,740
Other financial expenses	1	(109,572)	(4,977)
Profit/loss before tax		(408,022)	3,856,763
Tax on profit/loss for the year		89,496	(848,760)
Profit/loss for the year		(318,526)	3,008,003
Proposed distribution of profit and loss			
Retained earnings		(318,526)	3,008,003
Proposed distribution of profit and loss		(318,526)	3,008,003

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Manufactured goods and goods for resale		0	205,079
Prepayments for goods		379,260	3,395,817
Inventories		379,260	3,600,896
Trade receivables		0	3,692,026
Receivables from group enterprises		1,603,062	0
Other receivables		580,196	43,837
Joint taxation contribution receivable		89,496	0
Receivables		2,272,754	3,735,863
Cash		153,631	204,207
Current assets		2,805,645	7,540,966
Assets		2,805,645	7,540,966

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		40,000	40,000
Retained earnings		2,689,477	3,008,003
Equity		2,729,477	3,048,003
Trade payables		24,470	2,876,019
Income tax payable		0	848,760
Other payables		51,698	768,184
Current liabilities other than provisions		76,168	4,492,963
Liabilities other than provisions		76,168	4,492,963
Equity and liabilities		2,805,645	7,540,966
Employees	2		
Contingent liabilities	3		

Statement of changes in equity for 2023

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	40,000	3,008,003	3,048,003
Profit/loss for the year	0	(318,526)	(318,526)
Equity end of year	40,000	2,689,477	2,729,477

Notes

1 Other financial expenses

	2023 DKK	2022 DKK
Financial expenses from group enterprises	34,923	0
Other interest expenses	14,023	4,288
Exchange rate adjustments	60,626	689
	109,572	4,977

2 Employees

The Entity has no employees other than the Executive Board. The Executive Officer has not received any remuneration.

3 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where N.G.P Distribution Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Non-comparability

The comparative figures of the annual report contains of 10 months whereof the figures in the annual report are non-comparable.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss includes net revenue, changes in finished goods inventory, and external costs.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of

receivables recognised in current assets.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, and payables and transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Cash

Cash comprises bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.