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# ***Agency Spring International A/S***

Studsgade 22, DK-8000 Aarhus C

## **Annual Report for 1 July 2019 - 30 June 2020**

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CVR No 26 13 67 92

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
26/11 2020

Lone Kragh  
Chairman of the General  
Meeting



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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Agency Spring International A/S for the financial year 1 July 2019 - 30 June 2020.

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 2020 of the Company and of the results of the Company operations for 2019/20.

In our opinion, 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.

Aarhus, 26 November 2020

## Executive Board

Lars Bo Hansen  
Executive Officer

## Board of Directors

Albert Crilles Sebastian Funder  
Chairman

Petter Pablo Sommerfelt-  
Venegas

Lars Bo Hansen

Michael Kaltoft Paterson

Morten Eskildsen

Jesper Angelsø Hjortshøj

Jens Hjortshøj

Peer Brændholt

Lone Kragh

Mogens Kristensen

Mads Heide Mikkelsen

Peter Herlev Enevoldsen

# Independent Auditor's Report

To the Shareholder of Agency Spring International A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2020 and of the results of the Company's operations for the financial year 1 July 2019 - 30 June 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Agency Spring International A/S for the financial year 1 July 2019 - 30 June 2020, 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 misstate-

# Independent Auditor's Report

ment, 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 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

# Independent Auditor's Report

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.

Aarhus, 26 November 2020

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Lars Østergaard

statsautoriseret revisor

mne26806

## Company Information

### The Company

Agency Spring International A/S  
Studsgade 22  
DK-8000 Aarhus C

CVR No: 26 13 67 92  
Financial period: 1 July - 30 June  
Municipality of reg. office: Aarhus

### Ownership

The following shareholders are recorded in the Company's register of shareholders as carrying a minimum of 5% of the votes or 5% of the share capital:

Spring Production A/S  
Studsgade 22  
DK-8000 Aarhus C  
(Equity interest of 100%)

### Subsidiary

Spring Production Company Ltd.  
Tuoi Tre Building  
60A Hoang Van Thu Street  
Ward 9, Phu Nhuan District  
Ho Chi Minh City  
S.R. Vietnam  
(Equity interest of 100%)

### Ultimate parent company

Spring Partner Holding ApS  
Studsgade 22  
DK-8000 Aarhus C  
(Controlling interest)

### Consolidated financial statements

The consolidated financial statements are prepared by the parent company:

Spring Family ApS  
Studsgade 22  
DK-8000 Aarhus C

### Board of Directors

Albert Crilles Sebastian Funder, Chairman  
Petter Pablo Sommerfelt-Venegas

## Company Information

Lars Bo Hansen  
Michael Kaltoft Paterson  
Morten Eskildsen  
Jesper Angelsø Hjortshøj  
Jens Hjortshøj  
Peer Brændholt  
Lone Kragh  
Mogens Kristensen  
Mads Heide Mikkelsen  
Peter Herlev Enevoldsen

### Executive Board

Lars Bo Hansen

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Nobelparken  
Jens Chr. Skous Vej 1  
DK-8000 Aarhus C

### Lawyers

Bech-Bruun  
Værkmestergade 2  
DK-8000 Aarhus C

### Bankers

Nordea Bank A/S  
Skt. Clemens Torv 2  
DK-8000 Aarhus C



# **Management's Review**

## **Key activities**

The object of the Company is to carry on graphic design and advertising agency activities and any business related thereto.

## **Development in the year**

Results for the year show a profit of DKK 2,227,201 compared to DKK 1,966,105 for 2018/19. The reason for the profit is primarily improved earnings of the Company's subsidiary, which realised a profit of DKK 2,203,949 in 2019/20 compared to DKK 1,926,259 in 2018/19.

Reference is made to note 1 to the Annual Report for further details on COVID-19.

Company Management considers the results for the year satisfactory.

Equity constitutes DKK 7,652,556 on 30 June 2020.

## **Targets and expectations for the year ahead**

A profit is expected for the next year. Furthermore, Company Management expects that the liquidity necessary for conducting operations in 2020/21 will be made available.

## **Subsequent events**

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

## Income Statement 1 July - 30 June

	Note	2019/20 DKK	2018/19 DKK
<b>Gross profit/loss</b>		<b>-19.669</b>	<b>-15.126</b>
Income from investments in subsidiaries	2	2.203.949	1.926.259
Financial income	3	42.937	40.994
Financial expenses		-16	-20
<b>Profit/loss before tax</b>		<b>2.227.201</b>	<b>1.952.107</b>
Tax on profit/loss for the year	4	0	13.998
<b>Net profit/loss for the year</b>		<b>2.227.201</b>	<b>1.966.105</b>

## Distribution of profit

### Proposed distribution of profit

Reserve for net revaluation under the equity method	2.203.949	1.926.259
Retained earnings	23.252	39.846
	<b>2.227.201</b>	<b>1.966.105</b>

# Balance Sheet 30 June

## Assets

	Note	2020 DKK	2019 DKK
Other fixtures and fittings, tools and equipment		0	0
<b>Property, plant and equipment</b>	5	<b>0</b>	<b>0</b>
Investments in subsidiaries	6	6.551.172	4.347.223
<b>Fixed asset investments</b>		<b>6.551.172</b>	<b>4.347.223</b>
<b>Fixed assets</b>		<b>6.551.172</b>	<b>4.347.223</b>
Receivables from group enterprises		1.107.606	1.066.966
Deferred tax asset		12.000	12.000
Corporation tax		0	10.604
<b>Receivables</b>		<b>1.119.606</b>	<b>1.089.570</b>
<b>Cash at bank and in hand</b>		<b>333</b>	<b>2.562</b>
<b>Currents assets</b>		<b>1.119.939</b>	<b>1.092.132</b>
<b>Assets</b>		<b>7.671.111</b>	<b>5.439.355</b>

# Balance Sheet 30 June

## Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		1.000.000	1.000.000
Reserve for net revaluation under the equity method		4.611.872	2.407.923
Retained earnings		2.040.684	2.017.432
<b>Equity</b>	<b>7</b>	<b>7.652.556</b>	<b>5.425.355</b>
Other payables		18.555	14.000
<b>Short-term debt</b>		<b>18.555</b>	<b>14.000</b>
<b>Debt</b>		<b>18.555</b>	<b>14.000</b>
<b>Liabilities and equity</b>		<b>7.671.111</b>	<b>5.439.355</b>
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## Statement of Changes in Equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 July	1.000.000	2.407.923	2.017.432	5.425.355
Net profit/loss for the year	0	2.203.949	23.252	2.227.201
<b>Equity at 30 June</b>	<b>1.000.000</b>	<b>4.611.872</b>	<b>2.040.684</b>	<b>7.652.556</b>

# Notes to the Financial Statements

## 1 Unusual events

The implications of COVID-19 with many governments across the world deciding to "close down their countries" will have great impact on the global economy.

The Company and its subsidiary carries on business in marketing and advertising, and their customers are not assessed to be significantly affected by COVID-19; thus, the outbreak of COVID-19 has not affected and is not expected to affect the Company noticeably.

## 2 Income from investments in subsidiaries

	2019/20 DKK	2018/19 DKK
Share of profits of subsidiaries	2.203.949	1.926.259
	<b>2.203.949</b>	<b>1.926.259</b>

## 3 Financial income

Interest received from group enterprises	42.640	40.994
Other financial income	297	0
	<b>42.937</b>	<b>40.994</b>

## 4 Tax on profit/loss for the year

Current tax for the year	0	0
Deferred tax for the year	0	-12.000
Adjustment of tax concerning previous years	0	-1.998
	<b>0</b>	<b>-13.998</b>

# Notes to the Financial Statements

## 5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 July	68.966
Disposals for the year	-68.966
Cost at 30 June	0
Impairment losses and depreciation at 1 July	68.966
Reversal of impairment and depreciation of sold assets	-68.966
Impairment losses and depreciation at 30 June	0
<b>Carrying amount at 30 June</b>	<b>0</b>

## Notes to the Financial Statements

	2020 DKK	2019 DKK
<b>6 Investments in subsidiaries</b>		
Cost at 1 July	1.939.300	1.939.300
Cost at 30 June	1.939.300	1.939.300
Value adjustments at 1 July	2.407.923	481.664
Net profit/loss for the year	2.203.949	1.926.259
Value adjustments at 30 June	4.611.872	2.407.923
<b>Carrying amount at 30 June</b>	<b>6.551.172</b>	<b>4.347.223</b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and ownership	Equity	Net profit/loss for the year
Spring Production Company Ltd	Vietnam	100%	6.551.172	2.203.949

## 7 Equity

The share capital consists of 10,000 shares of a nominal value of DKK 100. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.



# Notes to the Financial Statements

## 8 Contingent assets, liabilities and other financial obligations

### Securities and contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. 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.

There are no other security and contingent liabilities at 30 June 2020.

# Notes to the Financial Statements

## 9 Accounting Policies

The Annual Report of Agency Spring International A/S for 2019/20 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 accounting policies applied remain unchanged from last year.

The Financial Statements for 2019/20 are presented in DKK.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Spring Family ApS, the Company has not prepared consolidated financial statements.

### Recognition and measurement

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.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Income Statement

#### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

#### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of other external expenses.

#### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

#### 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 wholly owned Danish. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

### Balance Sheet

#### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3 - 4	years
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Assets costing less than DKK 14,100 are expensed in the year of acquisition.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

### Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

### 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.

### Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### 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 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.

### 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.