

Design Success ApS

Peter Bangs Vej 74
2000 Frederiksberg
Central Business Registration No
27293646

Annual report 2016

The Annual General Meeting adopted the annual report on 26.04.2017

Chairman of the General Meeting

Name: Jette Vibeke Nørland

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Entity details

Entity

Design Success ApS
Peter Bangs Vej 74
2000 Frederiksberg

Central Business Registration No: 27293646

Registered in: Frederiksberg Kommune

Financial year: 01.01.2016 - 31.12.2016

Executive Board

Kim Ramsøe Nørland, director
Jette Vibeke Nørland

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Herningvej 34
4800 Nykøbing F

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Design Success ApS for the financial year 01.01.2016 - 31.12.2016.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016.

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

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

Frederiksberg, 26.04.2017

Executive Board

Kim Ramsøe Nørland
director

Jette Vibeke Nørland

The independent auditor's compilation report

To Management of Design Success ApS

We have compiled the financial statements of Design Success ApS for the financial year 01.01.2016 - 31.12.2016 based on the Entity's bookkeeping records and other information Management has provided.

These financial statements comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies.

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

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct for professional accountants, including principles of integrity, objectivity, professional competence and due care.

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

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion about whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Nykøbing F., 26.04.2017

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

Glenn Hartmann
State Authorised Public Accountant

Arne Peder Jensen
Registered Accountant

Management commentary

Primary activities

The company's main activity is industrial design and branding.

Development in activities and finances

The operating profit for the year is a profit of 5,503 t.DKK., which is considered very satisfying.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Gross profit		9.603.395	653.162
Staff costs	1	(4.476.408)	(561.956)
Depreciation, amortisation and impairment losses	2	<u>(282.148)</u>	<u>(575.151)</u>
Operating profit/loss		4.844.839	(483.945)
Other financial income		<u>377.093</u>	<u>2.510</u>
Profit/loss before tax		5.221.932	(481.435)
Tax on profit/loss for the year	3	<u>281.347</u>	<u>0</u>
Profit/loss for the year		<u>5.503.279</u>	<u>(481.435)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>5.503.279</u>	<u>(481.435)</u>
		<u>5.503.279</u>	<u>(481.435)</u>

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Completed development projects		<u>0</u>	<u>276.716</u>
Intangible assets	4	<u>0</u>	<u>276.716</u>
Leasehold improvements		<u>0</u>	<u>5.432</u>
Property, plant and equipment	5	<u>0</u>	<u>5.432</u>
Fixed assets		<u>0</u>	<u>282.148</u>
Trade receivables		4.295.868	965.417
Deferred tax		281.347	0
Other receivables		4.711	0
Prepayments		<u>5.548</u>	<u>9.714</u>
Receivables		<u>4.587.474</u>	<u>975.131</u>
Cash		<u>3.075.500</u>	<u>551.743</u>
Current assets		<u>7.662.974</u>	<u>1.526.874</u>
Assets		<u>7.662.974</u>	<u>1.809.022</u>

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Contributed capital		125.000	125.000
Retained earnings		<u>1.177.647</u>	<u>(4.325.632)</u>
Equity		<u>1.302.647</u>	<u>(4.200.632)</u>
Trade payables		7.657	0
Other payables		<u>6.352.670</u>	<u>6.009.654</u>
Current liabilities other than provisions		<u>6.360.327</u>	<u>6.009.654</u>
Liabilities other than provisions		<u>6.360.327</u>	<u>6.009.654</u>
Equity and liabilities		<u>7.662.974</u>	<u>1.809.022</u>

Statement of changes in equity for 2016

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	125.000	(4.325.632)	(4.200.632)
Profit/loss for the year	0	5.503.279	5.503.279
Equity end of year	125.000	1.177.647	1.302.647

Notes

	2016	2015
	DKK	DKK
1. Staff costs		
Wages and salaries	4.474.717	557.744
Other social security costs	1.691	4.212
	4.476.408	561.956
	2016	2015
	DKK	DKK
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	276.716	553.431
Depreciation of property, plant and equipment	5.432	21.720
	282.148	575.151
	2016	2015
	DKK	DKK
3. Tax on profit/loss for the year		
Change in deferred tax for the year	(281.347)	0
	(281.347)	0
		Completed develop- ment projects DKK
4. Intangible assets		
Cost beginning of year		4.409.794
Cost end of year		4.409.794
Amortisation and impairment losses beginning of year		(4.133.078)
Amortisation for the year		(276.716)
Amortisation and impairment losses end of year		(4.409.794)
Carrying amount end of year		0

Notes

	Leasehold improve- ments DKK
5. Property, plant and equipment	
Cost beginning of year	217.207
Cost end of year	217.207
Depreciation and impairment losses beginning of the year	(211.775)
Depreciation for the year	(5.432)
Depreciation and impairment losses end of the year	(217.207)
Carrying amount end of year	0

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 certain provisions for reporting class C.

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

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 comprises revenue, cost of sales and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made 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 foreign assistance at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Accounting policies

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises interest income, net capital gains on payables and transactions in foreign currencies etc.

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.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed with related intellectual property rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

The cost of development projects comprises costs such as salaries that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects, protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Property, plant and equipment

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Accounting policies

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Leasehold improvements

10 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Other financial liabilities

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