



## Gran Living ApS

Polensgade 15  
8000 Aarhus C  
CVR No. 27615244

## Annual report 2020

The Annual General Meeting adopted the  
annual report on 18.06.2021

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**Kathrine Gran Hartvigsen**

Chairman of the General Meeting

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# Entity details

## Entity

Gran Living ApS

Polensgade 15

8000 Aarhus C

CVR No.: 27615244

Date of foundation: 18.06.2021

Registered office: Aarhus

Financial year: 01.01.2020 - 31.12.2020

## Executive Board

Per Gran Hartvigsen

Kathrine Gran Hartvigsen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

# Statement by Management

The Executive Board have today considered and approved the annual report of Gran Living ApS for the financial year 01.01.2020 - 31.12.2020.

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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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.

Aarhus, 18.06.2021

**Executive Board**

**Per Gran Hartvigsen**

**Kathrine Gran Hartvigsen**

# Independent auditor's extended review report

**To the shareholders of Gran Living ApS**

## Conclusion

We have performed an extended review of the financial statements of Gran Living ApS for the financial year 01.01.2020 - 31.12.2020, 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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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' 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Material uncertainty related to going concern

The financial statement has been prepared on a going concern basis. We agree with the management's assessment of this, but draw attention to the management's description of this in note 1. Our opinion is not modified related to this.

## 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 opinion 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 under the Danish Financial Statements Act.

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 of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aarhus, 18.06.2021

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

#### **Morten Gade Steinmetz**

State Authorised Public Accountant  
Identification No (MNE) mne34145

# Management commentary

## Primary activities

The Company's primary activities consist of trading activities, design business and related business.

## Development in activities and finances

The loss after tax for the year amounted to DKK 8.387k which is considered unsatisfactory.

The company has lost more than 100% of the contributed capital and is therefore subject to the provisions of the Companies Act regarding contributed capital losses. The company's management has therefore accounted for the re-establishment of the contributed capital at the company's general meeting. The contributed capital is expected to be re-established through future operations.

## 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 2020

	Notes	2020 DKK	2019 DKK
<b>Gross profit/loss</b>	2	<b>10,185,796</b>	<b>12,466,253</b>
Staff costs	3	(9,829,049)	(11,761,823)
Depreciation, amortisation and impairment losses		(1,103,258)	(1,107,601)
<b>Operating profit/loss</b>		<b>(746,511)</b>	<b>(403,171)</b>
Other financial income	4	97,428	1,045,243
Impairment losses on financial assets		(5,524,104)	0
Other financial expenses	5	(1,814,986)	(1,847,853)
<b>Profit/loss before tax</b>		<b>(7,988,173)</b>	<b>(1,205,781)</b>
Tax on profit/loss for the year	6	(398,412)	0
<b>Profit/loss for the year</b>		<b>(8,386,585)</b>	<b>(1,205,781)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		(8,386,585)	(1,205,781)
<b>Proposed distribution of profit and loss</b>		<b>(8,386,585)</b>	<b>(1,205,781)</b>



# Balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK	2019 DKK
Acquired intangible assets		452,213	550,412
<b>Intangible assets</b>	7	<b>452,213</b>	<b>550,412</b>
Other fixtures and fittings, tools and equipment		1,374,780	2,131,823
<b>Property, plant and equipment</b>	8	<b>1,374,780</b>	<b>2,131,823</b>
Deposits		345,212	337,950
<b>Financial assets</b>		<b>345,212</b>	<b>337,950</b>
<b>Fixed assets</b>		<b>2,172,205</b>	<b>3,020,185</b>
Manufactured goods and goods for resale		32,963,900	35,804,935
Prepayments for goods		1,202,661	1,331,303
<b>Inventories</b>		<b>34,166,561</b>	<b>37,136,238</b>
Trade receivables		5,435,796	6,727,504
Receivables from group enterprises		875,249	5,108,425
Deferred tax		0	329,524
Other receivables		354,706	580,846
Prepayments		847,561	1,035,346
<b>Receivables</b>		<b>7,513,312</b>	<b>13,781,645</b>
<b>Cash</b>		<b>47,896</b>	<b>85,523</b>
<b>Current assets</b>		<b>41,727,769</b>	<b>51,003,406</b>
<b>Assets</b>		<b>43,899,974</b>	<b>54,023,591</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2020 DKK</b>	<b>2019 DKK</b>
Contributed capital		675,000	600,000
Retained earnings		(6,126,077)	(2,420,252)
<b>Equity</b>		<b>(5,451,077)</b>	<b>(1,820,252)</b>
Subordinate loan capital		16,200,000	10,200,000
Bank loans		1,950,000	0
Debt to other credit institutions		4,185,004	4,470,245
Payables to shareholders and management		3,500,000	0
Other payables		963,450	7,957,217
<b>Non-current liabilities other than provisions</b>	<b>9</b>	<b>26,798,454</b>	<b>22,627,462</b>
Current portion of non-current liabilities other than provisions	9	1,380,200	387,695
Bank loans		15,416,130	22,841,155
Prepayments received from customers		772,211	393,176
Trade payables		3,179,410	7,323,436
Payables to shareholders and management		0	22,738
Other payables		1,804,646	2,248,181
<b>Current liabilities other than provisions</b>		<b>22,552,597</b>	<b>33,216,381</b>
<b>Liabilities other than provisions</b>		<b>49,351,051</b>	<b>55,843,843</b>
<b>Equity and liabilities</b>		<b>43,899,974</b>	<b>54,023,591</b>
Going concern	1		
Unrecognised rental and lease commitments	10		
Contingent liabilities	11		
Assets charged and collateral	12		

# Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	600,000	(2,420,252)	(1,820,252)
Increase of capital	75,000	4,925,000	5,000,000
Other entries on equity	0	(313,128)	(313,128)
Tax of entries on equity	0	68,888	68,888
Profit/loss for the year	0	(8,386,585)	(8,386,585)
<b>Equity end of year</b>	<b>675,000</b>	<b>(6,126,077)</b>	<b>(5,451,077)</b>

# Notes

## 1 Going concern

It is our expectation that we will be provided with the necessary credit for the company to carry out normal operations for the coming financial year. Lenders have expressed their expectation of continuing the necessary commitment in order to provide the necessary liquidity. This commitment is based on a positive financial result in both liquidity and profits from company operations during the first 5 months of the new financial year.

## 2 Gross profit/loss

Other operating income included in the gross profit includes compensation received from pay and fixed cost support schemes established as a result of the outbreak and spread of COVID-19 in 2020, with DKK 413 thousand.

## 3 Staff costs

	2020 DKK	2019 DKK
Wages and salaries	8,293,317	9,932,367
Pension costs	947,411	1,086,271
Other social security costs	181,857	201,871
Other staff costs	406,464	541,314
	<b>9,829,049</b>	<b>11,761,823</b>
Average number of full-time employees	23	25

## 4 Other financial income

	2020 DKK	2019 DKK
Exchange rate adjustments	97,428	1,045,243
	<b>97,428</b>	<b>1,045,243</b>

## 5 Other financial expenses

	2020 DKK	2019 DKK
Other interest expenses	1,814,986	1,847,853
	<b>1,814,986</b>	<b>1,847,853</b>

## 6 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Change in deferred tax	398,412	0
	<b>398,412</b>	<b>0</b>

## 7 Intangible assets

	Acquired intangible assets DKK
Cost beginning of year	937,615
Additions	100,344
<b>Cost end of year</b>	<b>1,037,959</b>
Amortisation and impairment losses beginning of year	(387,203)
Amortisation for the year	(198,543)
<b>Amortisation and impairment losses end of year</b>	<b>(585,746)</b>
<b>Carrying amount end of year</b>	<b>452,213</b>

## 8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	6,741,023
Additions	235,712
Disposals	(1,555,853)
<b>Cost end of year</b>	<b>5,420,882</b>
Depreciation and impairment losses beginning of year	(4,609,200)
Depreciation for the year	(904,715)
Reversal regarding disposals	1,467,813
<b>Depreciation and impairment losses end of year</b>	<b>(4,046,102)</b>
<b>Carrying amount end of year</b>	<b>1,374,780</b>

## 9 Non-current liabilities other than provisions

	Due within 12 months 2020 DKK	Due within 12 months 2019 DKK	Due after more than 12 months 2020 DKK	Outstanding after 5 years 2020 DKK
Subordinate loan capital	0	0	16,200,000	16,200,000
Bank loans	520,000	0	1,950,000	0
Debt to other credit institutions	860,200	387,695	4,185,004	276,408
Payables to shareholders and management	0	0	3,500,000	3,500,000
Other payables	0	0	963,450	963,450
	<b>1,380,200</b>	<b>387,695</b>	<b>26,798,454</b>	<b>20,939,858</b>

## 10 Unrecognised rental and lease commitments

	2020 DKK	2019 DKK
Liabilities under rental or lease agreements until maturity in total	559,426	804,964

## 11 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Hartvigsen 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.

## 12 Assets charged and collateral

Bank debt totalling DKK 17,886k is secured by a floating charge of DKK 18,000k. The floating charge comprises unsecured claims, inventories, intangible assets, property, plant and equipment, fixtures and fittings, tools and equipment.

Debt to Vækstfonden totalling DKK 5,045k is secured by a floating charge of DKK 5,000k. The floating charge comprises unsecured claims, inventories, intangible assets, property, plant and equipment, fixtures and fittings, tools and equipment.

The carrying amount of trade receivables amounts to DKK 5,436k.

The carrying amount of inventories amounts to DKK 34,167k.

The carrying amount of intangible assets amounts to DKK 452k.

The carrying amount of property, plant and equipment amounts to DKK 1,375k.

# 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.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, other operating income, production costs and other external expenses.

### 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.

### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary

activities.

**Cost of sales**

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

**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. This item also includes writedowns of receivables recognised in current assets.

**Property costs**

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

**Staff costs**

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

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

**Other financial income**

Other financial income comprises payables and transactions in foreign currencies.

**Impairment losses on financial assets**

Impairment losses on financial assets comprise impairment losses on financial assets which are not measured at fair value on a current basis.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, and tax surcharge under the Danish Tax Prepayment Scheme 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.

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****Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.



Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

### **Property, plant and equipment**

Other fixtures and fittings, tools 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.

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:

Other fixtures and fittings, tools and equipment	5 years
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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.

### **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. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production 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.

### **Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value 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 cash in hand and bank deposits.

**Other financial liabilities**

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

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.