

ARCA ApS
Griffenfeldsgade 7 A
2200 Copenhagen N

Business Registration No 31254418

Annual report
1. January 2020 - 31. December 2020

The Annual General Meeting adopted the annual report
on 29. April 2021

Peder Andreas Bang
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management on the annual report	3
Independent auditor's extended review report	4
Management commentary	6
Income statement for 2020	7
Assets as at 31.12.2020	8
Liabilities and equity as at 31.12.2020	9
Statement in changes in equity	10
Notes	11
Accounting policies	13

Entity details

Entity

ARCA ApS
Griffenfeldsgade 7 A
2200 Copenhagen N

Registered in: Copenhagen
Central Business Registration No (CVR): 31254418
Financial year: 1. January 2020 - 31. December 2020

Executive Board

Peder Andreas Bang
Klaus Vesti Andersen

Board of Directors

Peder Andreas Bang
Klaus Vesti Andersen

Auditors

Dansk Revision Søborg
Statsautoriseret revisionsaktieselskab
Generatorvej 8D
2860 Søborg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of ARCA ApS for the financial year 1. January 2020 - 31. December 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. December 2020 and of the results of its operations for the financial year 1. January 2020 - 31. December 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.

Copenhagen, 29. april 2021

Board of Directors:

Peder Andreas Bang

Klaus Vesti Andersen

Executive Board:

Peder Andreas Bang
Chairman

Klaus Vesti Andersen

Independent auditor's extended review report

To the shareholders of ARCA ApS

Conclusion

We have performed an extended review of the financial statements of ARCA ApS for the financial year 1. January 2020 - 31. December 2020, which comprise the income statement, balance sheet 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. December 2020 and of the results of its operations for the financial year 1. January 2020 - 31. December 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". 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.

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.

Independent auditor's extended review report

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.

Søborg, 29. april 2021

Dansk Revision Søborg

Statsautoriseret revisionsaktieselskab, CVR-nr. 14649905

Michael Wienberg
Registreret revisor
mne18012

Management commentary

Primary activities

The Company's activity consists in giving classes in gyms.

Development in activities and finances

Loss for the year amounts to DKK 1,875 thousand against a profit of DKK 3,988 thousand last year.

Events after the end of the financial year

The rapid spread of the Corona virus in Denmark and the rest of the world in March 2020 has necessitated a number of restrictions from the Danish authorities, which could potentially have major socio-economic consequences. ARCA ApS is currently directly affected by the implemented restrictions, and all their centers are closed.

If the outbreak of the Corona virus becomes prolonged and the authorities implement further measures to stem the spread of infection, the socio-economic consequences could be significant. In such a scenario, ARCA ApS can also be negatively affected. However, the authorities have already planned several financial support measures, and must be expected to implement further support measures in the event of a prolonged outbreak that will mitigate the consequences of the restrictions.

It is in the nature of things not possible to make an amount statement of the financial consequence of the outbreak of Corona virus for ARCA ApS at present.

		2020	2019
Note	Resultatopgørelse	DKK	1.000 DKK
The period 1. January - 31. December			
	Gross profit	29.334.037	35.399
1	Staff costs	-25.006.057	-23.802
	Depreciation and amortisation of non-current assets	-6.364.688	-6.884
	Income or loss before net financials	-2.036.707	4.713
2	Financial income	769.625	703
	Financial expenses	-1.164.064	-352
	Profit before tax	-2.431.146	5.064
3	Tax on the income or loss for the year	556.214	-1.076
	Net income or loss for the year	-1.874.932	3.988
Proposal for distribution of net income:			
	Extraordinary dividend	0	8.600
	Retained earnings	-1.874.932	-4.612
	Total distribution of net income	-1.874.932	3.988

Note	Balance	2020 DKK	2019 1.000 DKK
Assets as at 31. December			
Completed development projects		1.032.327	0
Goodwill		385.719	579
Intangible assets		1.418.046	579
Leasehold improvements		10.781.822	9.178
Other fixtures and fittings, tools and equipment		4.967.885	7.484
Property, plant and equipment		15.749.707	16.662
Receivables from group enterprises		15.253.515	9.564
Deposits		1.398.218	1.386
Fixed asset investments		16.651.733	10.950
Fixed assets		33.819.485	28.191
Manufactured goods and goods for resale		0	171
Inventories		0	171
Trade receivables		63.351	77
Receivables from group enterprises		0	2.916
Receivables from associates		8.567.717	828
Deferred tax assets		226.943	0
Other receivables		4.630.886	142
Prepayments		1.547.245	1.372
Receivables		15.036.142	5.335
Cash		67.653	103
Total current assets		15.103.794	5.609
Total assets		48.923.280	33.800

Note	Balance	2020 DKK	2019 1.000 DKK
Liabilities and equity as at 31. December			
	Contributed capital	125.000	125
	Retained earnings	10.127.279	12.002
	Total equity	10.252.279	12.127
	Deferred tax	0	329
	Provisions	0	329
	Finance lease liabilities	1.882.745	3.282
	Other creditors	6.000.000	0
4	Non-current liabilities other than provisions	7.882.745	3.282
	Current portion of long-term liabilities other than provisions	1.398.768	2.011
	Bank loans	12.796.799	3.889
	Prepayments received from customers	7.670.767	3.939
	Trade payables	1.037.314	1.570
	Payables to group enterprises	947.358	3.644
	Payables to associates	2.460.752	0
	Joint taxation contribution payable	0	1.177
	Other payables	4.435.446	1.807
	Deposits	24.000	24
	Payables to shareholders and mangement	17.053	0
	Current payables	30.788.257	18.062
	Total payables	38.671.001	21.343
	Total liabilities and equity	48.923.280	33.800
5	Contingent liabilities		
6	Special items regarding Covid-19 compensation		

Statement in changes in equity

Equity	Contri- buted ca- pital 1.000 DKK	Retained earnings 1.000 DKK	Total 1.000 DKK
Perioden 1. January - 31. December			
Equity begning of year	125	12.002	12.127
Profit/loss for the year	<u>0</u>	<u>-1.875</u>	<u>-1.875</u>
Equity end of the year	<u>125</u>	<u>10.127</u>	<u>10.252</u>

Notes

1 Staff costs

Pay and remuneration	23.514.961	22.571
Pensions	401.405	122
Social security contributions and staff costs	474.633	239
Other staff costsinger	615.058	870
Staff costs	25.006.057	23.802

The average number of employees in the financial year is 46 (last year 42).

2 Financial income

Interest income, group enterprises	769.625	552
Interest income, associates	0	150
Other financial income	0	1
Financial income	769.625	703

3 Tax on the income or loss for the year

Tax on net income or loss for the year	0	1.177
Adjustment of deferred tax	-556.214	-101
Tax on the income or loss for the year	-556.214	1.076

4 Non-current payables

Outstanding after 5 years	0	0
---------------------------	---	---

5 Contingent liabilities

The Company has entered into tenancy agreements with non-cancellable periods of 6, 7, 12 and 24 months respectively. The total rental obligation amounts to DKK 16,522 thousand (2019: DKK 15,884 thousand) at the balance sheet date.

The Entity has guaranteed for banking arrangements of the associated company Grundlagt ApS. At 31 December 2020, the associated company had no debt.

The Entity has guaranteed for banking arrangements of the group company [jo:ga] ApS. At 31 December 2020, the total bank arrangement amounted to DKK 5,358 thousand.

The Company is jointly registered for VAT with the affiliated company [jo:ga] ApS. Therefore, the Company is jointly and severally liable for VAT liabilities.

Notes

The Entity participates in a Danish joint taxation arrangement in which OurTribe 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 total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

6 Special items regarding Covid-19 compensation

In the gross profit for 2020, the company has included Covid-19 compensation from the scheme for temporary salary compensation for repatriates of TDKK 4,706 and from the compensation scheme for fixed costs of TDKK 9,986.

Receivables include Covid-19 compensations of TDKK 4,314.

Receivable compensation relates to compensation which the management assesses that the company is entitled to, but which has not yet been paid by the authorities.

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.

Accounting policies

Income statement

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.

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Other operating income

Other operating income includes accounting items of a secondary nature in relation to the company's main activity. Covid-19 compensations are recognized with the part relating to the financial year when the conditions for obtaining compensation have been met and the company has applied or has planned to apply for compensation before the expiry of the application deadline.

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.

Cost of sales

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

Staff costs

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

Other financial income

Other financial income comprises interest income as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses as well as 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.

Accounting policies

Balance sheet

Goodwill

Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. The amortisation period is usually 5 years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources.

Goodwill is 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. Land is not depreciated. 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. For self-constructed assets, cost comprises direct and indirect costs of materials, components, sub-suppliers and labour costs.

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	3-10 years
Leasehold improvements	5 years

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.

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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Accounting policies

Other financial liabilities

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

Finance lease liabilities

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

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.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of 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.

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.

Penneo

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registeret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Klaus Vesti Andersen

Direktionsmedlem

Serienummer: PID:9208-2002-2-942293253638

IP: 80.162.xxx.xxx

2021-05-02 19:02:38Z

NEM ID 

Klaus Vesti Andersen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-942293253638

IP: 80.162.xxx.xxx

2021-05-02 19:02:38Z

NEM ID 

Peder Andreas Bang

Direktionsmedlem

Serienummer: PID:9208-2002-2-390944218062

IP: 87.49.xxx.xxx

2021-05-04 06:39:26Z

NEM ID 

Peder Andreas Bang

Bestyrelsesformand

Serienummer: PID:9208-2002-2-390944218062

IP: 87.49.xxx.xxx

2021-05-04 06:39:26Z

NEM ID 

Peder Andreas Bang

Dirigent

Serienummer: PID:9208-2002-2-390944218062

IP: 87.49.xxx.xxx

2021-05-04 06:39:26Z

NEM ID 

Michael Wienberg

Registreret revisor

Serienummer: CVR:14649905-RID:20808335

IP: 165.225.xxx.xxx

2021-05-04 06:40:24Z

NEM ID 

Penneo dokumentnøgle: 1B1VA-XEE02-5EVBZ-ETAPB-6F5YA-EB6ML

Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstemplet med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service** <penneo@penneo.com>. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: <https://penneo.com/validate>