

# **1 PEOPLE A/S**

Venedigvej 5, 4, th,

2300 København S

CVR No. 34586780

## **Annual Report 2022**

11. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 1 August 2023

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Jonathan Tjoa Algreen  
Chairman

## **1 PEOPLE A/S**

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## **1 PEOPLE A/S**

### **Management's Statement**

Today, Management has considered and adopted the Annual Report of 1 PEOPLE A/S for the financial year 1 January 2022 - 31 December 2022.

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 assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

The conditions for not conducting an audit of the Financial Statement have been met.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 1 August 2023

#### **Executive Board**

Rea Louise Tjoa Algreen  
Man. Director

#### **Supervisory Board**

Lars Bo Kirk  
Chairman

Jonathan Tjoa Algreen  
Member

Rea Louise Tjoa Algreen  
Member

Molay Ghosh  
Member

## 1 PEOPLE A/S

### Company details

<b>Company</b>	1 PEOPLE A/S Venedigvej 5, 4, th, 2300 København S
Telephone	71995353
E-mail	info@1people.com
Website	www.1people.com
CVR No.	34586780
Date of formation	4 June 2012
Registered office	København
Financial year	1 January 2022 - 31 December 2022
<b>Supervisory Board</b>	Lars Bo Kirk Jonathan Tjoa Algreen Rea Louise Tjoa Algreen, Man. Director Molay Ghosh
<b>Executive Board</b>	Rea Louise Tjoa Algreen
<b>Bank</b>	Spar Nord

## Management's Review

### The Company's principal activities

The company produce and sell ethical and sustainable luxury fashion and lifestyle or related products within fashion, such as bags, watches, jewellery, clothing, care products and similar items.

The company's purpose is to: show a new way of doing business. That business can have a bigger purpose than just for profit. Doing this through,

A) contribute to an end of poverty, illiteracy and unworthy living conditions worldwide, by creating sustainable and persistent growth in developing countries, by providing jobs, education and investments.

B) educate and invest in new entrepreneurs who are driven by social impact entrepreneurship. This is done directly through the Business for Planet programme where some of 1 People's profit and resources are allocated to support the programme.

C) make sure that all our decisions, all products we sell and produce are always aligned with a People and Planet centric approach. We are ethical and sustainable in all our operations.

### Development in the activities and the financial situation of the Company

#### Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK -1,456,544 and the Balance Sheet at 31 December 2022 a balance sheet total of DKK 28,809,565 and an equity of DKK 10,206,581.

#### Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

#### Expectations for the future

2022 has been a new record year. We have expanded our operations to new markets and have increased group revenue by 50%. More marketplaces and consignment based stores have been added to our distribution network and we have growth on all important key numbers.

In June 2022 we closed our series A funding which has pushed the organization and sales to its next level. We are now more present in the USA which is a new market to us yet already important and with a huge potential. We will dedicate more resources to this new market to unlock its potential.

2022 has also been used to prepare for an even stronger growth of which we have already experienced in the two first quarters of 2023. Therefore we expect a lot from 2023 with new records for the most important key numbers as well as revenue.

## Accounting Policies

### Reporting Class

The annual report of 1 PEOPLE A/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

### Consolidated Financial Statements

With reference to § 110 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises do not exceed the amount limits.

With reference to § 112 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises are subsidiaries of a higher-ranking group.

### Reporting currency

The annual report is presented in Danish kroner.

## General information

### Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

## Income statement

### Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and

## Accounting Policies

goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

### Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

### Other external expenses

Distribution costs include costs relating to distribution and sales, advertising and marketing costs, vehicle operating costs, etc.

Administrative expenses include expenses for Management and administrative staff, office expenses, amortization and depreciation, etc.

### Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

Other staff expenses are recognised in other external expenses.

### Amortisation and impairment of tangible and intangible assets

Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

### Research and development costs

Research and development costs which do not meet the criteria for capitalisation are recognised in the income statement as they are paid.

Development projects that are clearly defined and identifiable, and which are expected to generate future economic profits, are recognised as intangible assets at cost less accumulated amortization and any write-downs. Amortization is calculated on a straight-line basis over the expected useful life, usually 3-6 years. Other development costs are recognised in the income statement.

Borrowing costs relating to financing of development costs are recognised in the income statement.

### Income from investments in group enterprises and associates

Income from equity investments comprises the proportionate share of profit/loss after tax and any adjustment of internal profit/loss and less amortization of consolidated goodwill.

### Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

### Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

## Accounting Policies

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

### Balance sheet

#### Property, plant and equipment

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

	<b>Useful life</b>	<b>Residual value</b>
Other fixtures and fittings, tools and equipment	3-10 years	0%

#### Equity investments in group enterprises and associates

Investments in group enterprises and associates are recognized in the balance sheet at the proportionate share of the equity value of the enterprises, calculated according to the parent Company's accounting policies with the deduction or addition of unrealised intercompany profits or losses and with the addition or deduction of the remaining value of positive or negative goodwill, calculated according to the purchase method.

Subsidiaries having a negative equity value are recognised at kr. 0, and any amounts receivable from those enterprises are written down by the parent Company's share of the negative equity value to the extent that the amounts are deemed to be uncollectible.

If the negative equity value exceeds receivables, the remaining amount is recognised as a provision to the extent that the parent Company has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

#### Inventories

Merchandises are measured at cost comprising purchase price plus delivery costs.

#### Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.



## Accounting Policies

### Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Andre tilgodehavender betår af tilgodehavende moms.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

### Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

### Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

### Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

### Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## Income Statement

	Note	2022 kr.	2021 kr.
<b>Gross profit</b>		<b>-935,237</b>	<b>-688,054</b>
Employee benefits expense	1	-714,562	-505,818
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-1,222	0
Research and development expenditure		-42,336	-11,421
<b>Profit from ordinary operating activities</b>		<b>-1,693,357</b>	<b>-1,205,293</b>
Income from investments in group enterprises and associates		0	-186,000
Other finance income	2	1,075,422	669,898
Finance expences	3	-838,609	-938,497
<b>Profit from ordinary activities before tax</b>		<b>-1,456,544</b>	<b>-1,659,892</b>
<b>Profit</b>		<b>-1,456,544</b>	<b>-1,659,892</b>
<b>Proposed distribution of results</b>			
Retained earnings		-1,456,544	-1,659,892
<b>Distribution of profit</b>		<b>-1,456,544</b>	<b>-1,659,892</b>

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## Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
<b>Assets</b>			
Fixtures, fittings, tools and equipment		15,360	0
<b>Property, plant and equipment</b>		<b>15,360</b>	<b>0</b>
Long-term investments in group enterprises	4, 5	0	0
<b>Investments</b>		<b>0</b>	<b>0</b>
<b>Fixed assets</b>		<b>15,360</b>	<b>0</b>
Manufactured goods and goods for resale		25,165	1,010,813
Prepayments for goods		570	0
<b>Inventories</b>		<b>25,735</b>	<b>1,010,813</b>
Short-term trade receivables		2,183,735	65,066
Short-term receivables from group enterprises		24,506,899	19,567,559
Other short-term receivables		78,619	0
Deferred income		729	14,279
<b>Receivables</b>		<b>26,769,982</b>	<b>19,646,904</b>
<b>Cash and cash equivalents</b>		<b>1,998,488</b>	<b>238,892</b>
<b>Current assets</b>		<b>28,794,205</b>	<b>20,896,609</b>
<b>Assets</b>		<b>28,809,565</b>	<b>20,896,609</b>

# 1 PEOPLE A/S

## Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
<b>Liabilities and equity</b>			
Contributed capital		12,000,000	10,000,000
Share premium		12,000,000	0
Retained earnings		-13,793,419	-12,336,875
<b>Equity</b>		<b>10,206,581</b>	<b>-2,336,875</b>
Payables to group enterprises		18,446,741	22,987,905
<b>Long-term liabilities other than provisions</b>	6	<b>18,446,741</b>	<b>22,987,905</b>
Trade payables		93,785	135,309
Other payables		62,458	-84,236
Intercompany with owner		0	194,505
<b>Short-term liabilities other than provisions</b>		<b>156,243</b>	<b>245,578</b>
<b>Liabilities other than provisions within the business</b>		<b>18,602,984</b>	<b>23,233,484</b>
<b>Liabilities and equity</b>		<b>28,809,565</b>	<b>20,896,609</b>
Contingent liabilities	7		
Collaterals and assets pledges as security	8		

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### Statement of changes in Equity

	Contributed capital	Retained earnings	Share premium	Total
Equity 1 January 2022	10,000,000	-12,336,875		-2,336,875
Increase of capital	1,000,000	0	6,000,000	7,000,000
Increase of capital by conversion of debt	1,000,000	0	6,000,000	7,000,000
Profit (loss)	0	-1,456,544	0	-1,456,544
<b>Equity 31 December 2022</b>	<b>12,000,000</b>	<b>-13,793,419</b>	<b>12,000,000</b>	<b>10,206,581</b>

The share capital has developed as follows:

	2022	2021	2020	2019	2018
Balance at the beginning of the year	10,000,000	7,572,497	2,572,497	2,572,497	2,572,497
Addition during the year	2,000,000	2,427,503			
<b>Balance at the end of the year</b>	<b>12,000,000</b>	<b>10,000,000</b>	<b>2,572,497</b>	<b>2,572,497</b>	<b>2,572,497</b>

## 1 PEOPLE A/S

### Notes

	2022	2021
<b>1. Employee benefits expense</b>		
Wages and salaries	714,562	505,818
	<b>714,562</b>	<b>505,818</b>
Average number of employees	1	1
<b>2. Other finance income</b>		
Other finance income	1,075,423	669,897
	<b>1,075,423</b>	<b>669,897</b>
<b>3. Finance expenses</b>		
Finance expenses arising from group enterprises	832,861	938,252
Other finance expenses	5,748	245
	<b>838,609</b>	<b>938,497</b>
<b>4. Long-term investments in group enterprises</b>		
Cost at the beginning of the year	4,716,000	4,530,000
Addition during the year, incl. improvements	0	186,000
<b>Cost at the end of the year</b>	<b>4,716,000</b>	<b>4,716,000</b>
Depreciation and amortisation at the beginning of the year	-4,716,000	-4,530,000
Impairment losses for the year	0	-186,000
<b>Impairment losses and amortisation at the end of the year</b>	<b>-4,716,000</b>	<b>-4,716,000</b>
<b>Carrying amount at the end of the year</b>	<b>0</b>	<b>0</b>

### 5. Disclosure in long-term investments in group enterprises and associates

*Group enterprises*

Name	Registered office	Share held in %	Equity	Profit
PT ONE People Indonesia	Indonesien	80.00	-6,282,795	-1,848,289
1 People PTE LTD	Singapore	100.00	-159,810	-78,384
1 People LLC	USA	100.00	-151,220	-113,235
1 People GmbH	Tyskland	100.00	-559,039	-310,309
			<b>-7,152,864</b>	<b>-2,350,217</b>

### 6. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Payables to group enterprises	18,446,741	0	18,446,741
	<b>18,446,741</b>	<b>0</b>	<b>18,446,741</b>

### 7. Contingent liabilities

## **1 PEOPLE A/S**

### **Notes**

**2022**

**2021**

No contingent liabilities exist at the balance sheet date.

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation.

The total amount appears from the annual report of Agito Holding ApS which is the administration company in the joint taxation.

### **8. Collaterals and securities**

No securities or mortgages exist at the balance sheet date.