



Salemate Europe ApS

Lyngbyvej 417, 1.
2820 Gentofte
CVR No. 34701881

Annual report 2019

The Annual General Meeting adopted the
annual report on 23.04.2020

Jens Brinck
Conductor

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Entity details

Entity

Salemate Europe ApS

Lyngbyvej 417, 1.

2820 Gentofte

CVR No.: 34701881

Registered office: Gentofte

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Jens Brinck, Chairman

Mia Skaaning Jensen

Executive Board

Jens Brinck, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Salemate Europe ApS for the financial year 01.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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.

Gentofte, 23.04.2020

Executive Board

Jens Brinck

Chief Executive Officer

Board of Directors

Jens Brinck

Chairman

Mia Skaaning Jensen

Independent auditor's extended review report

To the shareholders of Salemate Europe ApS

Conclusion

We have performed an extended review of the financial statements of Salemate Europe ApS for the financial year 01.01.2019 - 31.12.2019, 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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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.

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.

Copenhagen, 23.04.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Claus Jorch Andersen

State Authorised Public Accountant
Identification No (MNE) mne33712

Management commentary

Primary activities

The Company's main activities are promotion and demonstration activities aimed at distributors and end customers focusing on knowledge-based projects.

Description of material changes in activities and finances

Profit for the year amounts to DKK 638 thousand and is as expected.

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. However, the latest development in the spread of the coronavirus disease (COVID-19) and the lock down of large parts of society may have a negative effect on the Company's results for 2020. The financial impact cannot be determined at this point in time, however, management is confident that the company will be able to adjust and profit for 2020 is still expected according to updated plans.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		3,330,862	2,525,701
Staff costs	2	(2,461,423)	(2,182,711)
Depreciation, amortisation and impairment losses		(40,000)	(40,000)
Operating profit/loss		829,439	302,990
Other financial income		0	15,620
Other financial expenses		(12,338)	(12,515)
Profit/loss before tax		817,101	306,095
Tax on profit/loss for the year	3	(179,562)	(67,141)
Profit/loss for the year		637,539	238,954
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		600,000	200,000
Retained earnings		37,539	38,954
Proposed distribution of profit and loss		637,539	238,954

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Completed development projects	5	55,200	73,600
Acquired intangible assets		64,800	86,400
Intangible assets	4	120,000	160,000
Fixed assets		120,000	160,000
Trade receivables		2,021,112	3,217,185
Other receivables		132,715	332,593
Receivables		2,153,827	3,549,778
Cash		784,946	360,124
Current assets		2,938,773	3,909,902
Assets		3,058,773	4,069,902

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		80,000	80,000
Reserve for development expenditure		43,056	57,408
Retained earnings		279,149	227,258
Proposed dividend		600,000	200,000
Equity		1,002,205	564,666
Deferred tax		26,000	35,000
Provisions		26,000	35,000
Bank loans		21,450	30,556
Prepayments received from customers		609,234	928,730
Trade payables		83,213	141,460
Payables to group enterprises		1,081,705	2,145,472
Joint taxation contribution payable		188,562	76,141
Other payables		46,404	147,877
Current liabilities other than provisions		2,030,568	3,470,236
Liabilities other than provisions		2,030,568	3,470,236
Equity and liabilities		3,058,773	4,069,902
Events after the balance sheet date	1		
Contingent liabilities	6		

Statement of changes in equity for 2019

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	80,000	57,408	227,258	200,000	564,666
Ordinary dividend paid	0	0	0	(200,000)	(200,000)
Dissolution of reserves	0	(14,352)	14,352	0	0
Profit/loss for the year	0	0	37,539	600,000	637,539
Equity end of year	80,000	43,056	279,149	600,000	1,002,205

Notes

1 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. However, the latest development in the spread of the coronavirus disease (COVID-19) and the lock down of large parts of society may have a negative effect on the Company's results for 2020. The financial impact cannot be determined at this point in time, however, management is confident that the company will be able to adjust and profit for 2020 is still expected according to updated plans.

2 Staff costs

	2019 DKK	2018 DKK
Wages and salaries	2,421,585	2,129,348
Pension costs	15,600	35,651
Other social security costs	24,238	17,712
	2,461,423	2,182,711
Average number of full-time employees	3	

3 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	188,562	76,141
Change in deferred tax	(9,000)	(9,000)
	179,562	67,141

4 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK
Cost beginning of year	92,000	108,000
Cost end of year	92,000	108,000
Amortisation and impairment losses beginning of year	(18,400)	(21,600)
Amortisation for the year	(18,400)	(21,600)
Amortisation and impairment losses end of year	(36,800)	(43,200)
Carrying amount end of year	55,200	64,800

5 Development projects

Development projects comprise digital development of a sales portal that the Company uses in its operations. Customers and staff are able to use this system.

6 Contingent liabilities

The Company has undertaken joint and several guarantee of payment for the agreement entered into by the Group maximising a bankdebt of DKK 1 million.

The Entity participates in a Danish joint taxation arrangement where Jens Brinck Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore secondarily liable for income taxes etc for the jointly taxed entities, which is limited to the equity interest by which the entity participates in the Group, and also secondarily liable 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.

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 consumables and 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.

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.

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 intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets.

Other financial income

Other financial income comprises interest income, net capital or exchange gains payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, net capital or exchange losses payables and transactions in foreign currencies, amortisation of financial liabilities, 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 roud 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 with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

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. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

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

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.

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.

Receivables

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

Cash

Cash comprises 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.

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.

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.

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.