

# **Tailor Shaped ApS**

**Indiakaj 12, 2100 Copenhagen**

**Company reg. no. 34 73 25 90**

## **Annual report**

**1 January - 31 December 2015**

The annual report has been submitted and approved by the general meeting on the 31 May 2016.

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**Jess Christian Fleischer**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's report**

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The board of directors and the managing director have today presented the annual report of Tailor Shaped ApS for the financial year 1 January to 31 December 2015.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2015 and of the company's results of its activities in the financial year 1 January to 31 December 2015.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Copenhagen, 31 May 2016

### **Managing Director**

Jess Christian Fleischer  
CEO

### **Board of directors**

Peter Heering  
Chairman

Christoffer Hans Galbo

Jess Christian Fleischer

## **The independent auditor's reports**

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### **To the shareholders of Tailor Shaped ApS**

#### **Report on the annual accounts**

We have audited the annual accounts of Tailor Shaped ApS for the financial year 1 January to 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

#### **The management's responsibility for the annual accounts**

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control as it determines necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

## **The independent auditor's reports**

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### **Opinion**

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2015 and of the results of the company's operations for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.

### **Emphasis of matter paragraph on matters in the accounts**

Without modifying our opinion, we refer to note 1 which explains that the Company is currently negotiating with potential investors of funding the equity with further 1 mDKK. This capital contribution - along with other efforts - will make the company able to continue operations for a minimum of one year from reporting date. Management expects that this funding will be obtained and have on this basis prepared the annual statement on going concern basis.

### **Statement on the management's review**

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.

Copenhagen, 31 May 2016

### **Grant Thornton**

State Authorized Public Accountants  
CVR-nr. 34 20 99 36

Michael Winther Rasmussen

State Authorized Public Accountant

## **Company data**

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### **The company**

Tailor Shaped ApS  
Indiakaj 12  
2100 Copenhagen

Company reg. no.: 34 73 25 90

Financial year: 1 January - 31 December

### **Board of directors**

Peter Heering, Chairman  
Christoffer Hans Galbo  
Jess Christian Fleischer

### **Managing Director**

Jess Christian Fleischer, CEO

### **Auditors**

Grant Thornton, State Authorized Public Accountants  
Stockholmsgade 45  
2100 Copenhagen

## **Management's review**

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### **The principal activities of the company**

The company's main activity is to develop and making tailored T-shirts.

### **Development in activities and financial matters**

The gross loss for the year is tDKK -1.114. The results from ordinary activities after tax are tDKK -2.445 against tDKK -268 last year.

The management consider the results in line with their expectations.

The management is currently negotiating with potential investors of funding the equity with further 1 mDKK. This capital contribution - along with other efforts - will make the company able to continue operations for a minimum of one year from reporting date. Management expects that this funding will be obtained and have on this basis prepared the annual statement on going concern basis. Please refer to note 1.

### **Events subsequent to the financial year**

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

## **Accounting policies used**

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The annual report for Tailor Shaped ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

### **Recognition and measurement in general**

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

## **The profit and loss account**

### **Gross loss**

The gross loss comprises net turnover, direct costs and other external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Direct costs comprises direct costs for external suppliers, raw materials etc.

Other external costs comprise costs for sales, advertisement, administration and premises.

### **Staff costs**

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.



## **Accounting policies used**

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### **Depreciation, amortisation and writedown**

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

### **Net financials**

Net financials include interest income, interest expenses. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

### **Tax of the results for the year**

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

## **The balance sheet**

### **Tangible fixed assets**

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Other plants, operating assets, fixtures and furniture	3-5 years
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Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

### **Debtors**

Debtors are measured at amortised cost which usually corresponds to gross value. In order to meet expected losses, writedown takes place at the net realisable value.

## **Accounting policies used**

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### **Accrued income and deferred expenses**

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

### **Available funds**

Available funds comprise cash at bank and in hand.

### **Corporate tax and deferred tax**

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Tailor Shaped ApS is proportionally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

### **Liabilities**

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

## **Profit and loss account 1 January - 31 December**

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Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

<u>Note</u>	<u>2015</u>	<u>2014</u>
<b>Gross loss</b>	<b>-1.114.456</b>	<b>-152</b>
2 Staff costs	-1.446.137	-92
Depreciation and writedown relating to tangible fixed assets	-70.275	-28
<b>Operating profit</b>	<b>-2.630.868</b>	<b>-272</b>
Other financial income	40.000	0
Other financial costs	-71	-1
<b>Results before tax</b>	<b>-2.590.939</b>	<b>-273</b>
3 Tax on ordinary results	146.077	5
<b>Results for the year</b>	<b>-2.444.862</b>	<b>-268</b>
 <b>Proposed distribution of the results:</b>		
Allocated from results brought forward	-2.444.862	-268
<b>Distribution in total</b>	<b>-2.444.862</b>	<b>-268</b>

**Balance sheet 31 December**

Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

<u>Note</u>	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
<b>Fixed assets</b>		
4 Other plants, operating assets, and fixtures and furniture	0	70
Tangible fixed assets in total	<u>0</u>	<u>70</u>
<b>Fixed assets in total</b>	<b><u>0</u></b>	<b><u>70</u></b>
<b>Current assets</b>		
Trade debtors	3.675	4
Deferred tax assets	0	5
Other debtors	215.779	22
Accrued income and deferred expenses	<u>597</u>	<u>0</u>
Debtors in total	<u>220.051</u>	<u>31</u>
Cash funds	<u>542.617</u>	<u>148</u>
<b>Current assets in total</b>	<b><u>762.668</u></b>	<b><u>179</u></b>
<b>Assets in total</b>	<b><u>762.668</u></b>	<b><u>249</u></b>

**Balance sheet 31 December**

Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

<u>Note</u>	<u>2015</u>	<u>2014</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
5 Contributed capital	214.354	80
7 Results brought forward	-6.091	-429
<b>Equity in total</b>	<b><u>208.263</u></b>	<b><u>-349</u></b>
<b>Liabilities</b>		
Bank debts	371	0
Prepayments received from customers	242.200	47
Trade creditors	137.433	17
Debt to group enterprises	4.750	200
Debt to shareholders and management	0	250
Other debts	169.651	84
Short-term liabilities in total	<u>554.405</u>	<u>598</u>
<b>Liabilities in total</b>	<b><u>554.405</u></b>	<b><u>598</u></b>
<b>Equity and liabilities in total</b>	<b><u>762.668</u></b>	<b><u>249</u></b>

## Notes

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Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

	<u>2015</u>	<u>2014</u>
<b>1. Uncertainties concerning the enterprise's ability to continue as a going concern</b>		
The management is currently negotiating with potential investors of funding the equity with further 1 mDKK. This capital contribution - along with other efforts - will make the company able to continue operations for a minimum of one year from reporting date. Management expects that this funding will be obtained and have on this basis prepared the annual statement on going concern basis.		
<b>2. Staff costs</b>		
Salaries and wages	1.393.090	92
Other costs for social security	11.800	0
Other staff costs	41.247	0
	<u><b>1.446.137</b></u>	<u><b>92</b></u>
<b>3. Tax on ordinary results</b>		
Adjustment for the year of deferred tax	-146.077	-5
	<u><b>-146.077</b></u>	<u><b>-5</b></u>
<b>4. Other plants, operating assets, and fixtures and furniture</b>		
Cost 1 January 2015	119.608	79
Additions during the year	0	41
<b>Cost 31 December 2015</b>	<u><b>119.608</b></u>	<u><b>120</b></u>
Depreciation and writedown 1 January 2015	-49.333	-22
Depreciation for the year	-70.275	-28
<b>Depreciation and writedown 31 December 2015</b>	<u><b>-119.608</b></u>	<u><b>-50</b></u>
<b>Book value 31 December 2015</b>	<u><b>0</b></u>	<u><b>70</b></u>

**Notes**

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Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

	<u>31/12 2015</u>	<u>31/12 2014</u>
<b>5. Contributed capital</b>		
Contributed capital 1 January 2015	80.000	80
Cash capital increase	<u>134.354</u>	<u>0</u>
	<u><b>214.354</b></u>	<u><b>80</b></u>
<b>6. Share premium account</b>		
Share premium account for the year	868.282	0
Dissolution of share premium for the year	<u>-868.282</u>	<u>0</u>
	<u><b>0</b></u>	<u><b>0</b></u>
<b>7. Results brought forward</b>		
Results brought forward 1 January 2015	-429.511	-161
Profit or loss for the year brought forward	-2.444.862	-268
Distributed from share premium	868.282	0
Capital contributions	<u>2.000.000</u>	<u>0</u>
	<u><b>-6.091</b></u>	<u><b>-429</b></u>