Bramhagen ApS

Kronprinsensgade 13, 3. th, 1114 Copenhagen

Company reg. no. 35 47 84 34

Annual report

1 January - 31 December 2018

The annual report was submitted and approved by the general meeting on the 21 May 2019.

Renzo Braglia
Chairman of the meeting

Contents

	Page
Reports	
Management's report	1
Independent auditor's report	2
Management's review	
Company data	5
Management's review	6
Annual accounts 1 January - 31 December 2018	
Accounting policies used	7
Profit and loss account	11
Balance sheet	12
Notes	14

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

The managing director has today presented the annual report of Bramhagen ApS for the financial year 1 January to 31 December 2018.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

I am 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, 10 April 2019

Managing Director

Renzo Braglia

Independent auditor's report

To the shareholder of Bramhagen ApS

Opinion

We have audited the annual accounts of Bramhagen ApS for the financial year 1 January to 31 December 2018, 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.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section “Auditor’s responsibilities for the audit of the annual accounts”. We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities 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. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the internal control relevant to the audit 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.

- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management’s preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management’s review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management’s review and in that connection consider whether the management’s review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 10 April 2019

BUUS JENSEN
State Authorised Public Accountants
Company reg. no. 16 11 90 40

Ulrik Nørskov
State Authorised Public Accountant
mne29456

Company data

The company	Bramhagen ApS Kronprinsensgade 13, 3. th 1114 Copenhagen	
	Company reg. no.	35 47 84 34
	Established:	19 September 2013
	Domicile:	Copenhagen
	Financial year:	1 January - 31 December 5th financial year
Managing Director	Renzo Braglia, Modena, Italy	
Auditors	BUUS JENSEN, Statsautoriserede revisorer	
Parent company	SPW srl Brama srl	

Management's review

The principal activities of the company

The company has not been affected by unusual circumstances during the financial year

Uncertainties as to recognition or measurement

It is estimated that no specific uncertainties are related to recognition and measurement of the financial items in the annual accounts.

Development in activities and financial matters

The results from ordinary activities after tax are DKK -564.717 against DKK 280.258 last year. The management consider the results unsatisfactory.

Accounting policies used

The annual report for Bramhagen ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

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

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and 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.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

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.

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 comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns 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.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

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

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

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

	Useful life
Other plants, operating assets, fixtures and furniture	*3 years*

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.

Accounting policies used

Decoration of rented premises

Decoration of rented premises are measured at cost with deduction of accrued depreciation. Depreciation takes place on a straight-line basis over the estimated useful life of the asset, which is set at 5 years.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

Debtors

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

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.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

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

Profit and loss account 1 January - 31 December

All amounts in DKK.

Note		2018	2017
	Gross profit	**483.811**	**2.143.418**
1	Staff costs	-960.624	-1.725.308
	Depreciation and writedown relating to tangible fixed assets	0	-2.764
	Operating profit	**-476.813**	**415.346**
	Other financial costs	-51.904	-50.460
	Results before tax	**-528.717**	**364.886**
2	Tax on ordinary results	-36.000	-84.628
	Results for the year	**-564.717**	**280.258**
	Proposed distribution of the results:		
	Allocated to results brought forward	0	280.258
	Allocated from results brought forward	-564.717	0
	Distribution in total	**-564.717**	**280.258**

Balance sheet 31 December

All amounts in DKK.

Assets

Note		2018	2017
	Fixed assets		
3	Other plants, operating assets, and fixtures and furniture	0	0
	Tangible fixed assets in total	0	0
	Deposits	85.500	354.808
	Financial fixed assets in total	85.500	354.808
	Fixed assets in total	**85.500**	**354.808**
	Current assets		
	Manufactured goods and trade goods	447.426	115.858
	Inventories in total	447.426	115.858
	Amounts owed by group enterprises	94.857	1.315.219
	Deferred tax assets	0	36.000
	Other debtors	82.946	121.311
	Accrued income and deferred expenses	25.390	143.034
	Debtors in total	203.193	1.615.564
	Available funds	772.862	215.593
	Current assets in total	**1.423.481**	**1.947.015**
	Assets in total	**1.508.981**	**2.301.823**

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities

Note		2018	2017
	Equity		
4	Contributed capital	80.000	80.000
5	Results brought forward	50.101	614.818
	Equity in total	**130.101**	**694.818**
	Liabilities		
	Subordinate loan capital	710.000	1.160.000
	Long-term liabilities in total	710.000	1.160.000
	Trade creditors	37.375	36.375
	Debt to group enterprises	466.180	115.858
	Corporate tax	21.128	49.128
	Other debts	144.197	245.644
	Short-term liabilities in total	668.880	447.005
	Liabilities in total	**1.378.880**	**1.607.005**
	Equity and liabilities in total	**1.508.981**	**2.301.823**

6 Contingencies

Notes

All amounts in DKK.

		2018	2017
1.	**Staff costs**		
	Salaries and wages	947.660	1.707.662
	Other costs for social security	7.100	7.258
	Other staff costs	5.864	10.388
		960.624	**1.725.308**
	Average number of employees	3	3
2.	**Tax on ordinary results**		
	Tax of the results for the year, parent company	0	73.128
	Adjustment for the year of deferred tax	36.000	11.500
		36.000	**84.628**
3.	**Other plants, operating assets, and fixtures and furniture**		
	Cost 1 January 2018	475.497	591.533
	Disposals during the year	0	-116.036
	Cost 31 December 2018	**475.497**	**475.497**
	Amortisation and writedown 1 January 2018	-475.497	-543.762
	Depreciation for the year	0	-35.854
	Reversal of depreciation, amortisation and writedown, assets disposed of	0	104.119
	Amortisation and writedown 31 December 2018	**-475.497**	**-475.497**
	Book value 31 December 2018	**0**	**0**
4.	**Contributed capital**		
	Contributed capital 1 January 2018	80.000	80.000
		80.000	**80.000**

All amounts in DKK.

		31/12 2018	31/12 2017
5.	**Results brought forward**		
	Results brought forward 1 January 2018	614.818	334.560
	Profit or loss for the year brought forward	-564.717	280.258
		50.101	**614.818**

6. Contingencies

Contingent assets

The Company has a rental commitment of four months, equivalent to t.DKK 114.