



Organic Basics ApS

Prags Boulevard 49, 1., 2300 København S
CVR No. 35676864

Annual report 2019

The Annual General Meeting adopted the
annual report on 31.01.2020

A handwritten signature in black ink, appearing to read 'Mads Fibiger Rasmussen', positioned above a horizontal line.

Mads Fibiger Rasmussen
Conductor

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Entity details

Entity

Organic Basics ApS
Prags Boulevard 49, 1.
2300 København S

CVR No.: 35676864
Registered office: København
Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Mads Fibiger Rasmussen
Daniel Nyvang Mariussen
Antoine Jean-Pierre Vincent Regis
Christoffer Immanuel Lund Nielsen
Hans Alexander Hovgaard Christiansen

Executive Board

Hans Alexander Hovgaard Christiansen
Mads Fibiger Rasmussen
Christoffer Immanuel Lund Nielsen

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 Organic Basics 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.

Copenhagen, 31.01.2020

Executive Board



Hans Alexander Hovgaard Christiansen



Mads Fibiger Rasmussen



Christoffer Immanuel Lund Nielsen

Board of Directors



Mads Fibiger Rasmussen



Antoine Jean-Pierre Vincent Regis



Hans Alexander Hovgaard Christiansen



Daniel Nyvang Mariussen



Christoffer Immanuel Lund Nielsen

Independent auditor's extended review report

To the shareholders of Organic Basics ApS

Conclusion

We have performed an extended review of the financial statements of Organic Basics 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, 31.01.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No.: 33963556



Mads Juul Hansen

State Authorised Public Accountant
Identification No (MNE) 44386

Management commentary

Primary activities

The activity of the company is sale of ecological textiles to women and men.

Description of material changes in activities and finances

The income statement of the company shows a loss for the year of DKK 5,499k., and at 31 December 2019 the balance sheet shows an equity of DKK 12,923k.

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.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		418,639	196,440
Staff costs	1	(6,122,403)	(2,138,170)
Depreciation, amortisation and impairment losses	2	(65,266)	(50,031)
Operating profit/loss		(5,769,030)	(1,991,761)
Other financial income		1,425	0
Other financial expenses		(531,852)	(361,121)
Profit/loss before tax		(6,299,457)	(2,352,882)
Tax on profit/loss for the year	3	800,741	365,296
Profit/loss for the year		(5,498,716)	(1,987,586)
Proposed distribution of profit and loss			
Retained earnings		(5,498,716)	(1,987,586)
Proposed distribution of profit and loss		(5,498,716)	(1,987,586)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Other fixtures and fittings, tools and equipment		138,867	89,133
Property, plant and equipment	4	138,867	89,133
Deposits		118,413	140,575
Other financial assets		118,413	140,575
Fixed assets		257,280	229,708
Manufactured goods and goods for resale		7,271,964	1,310,497
Prepayments for goods		287,505	0
Inventories		7,559,469	1,310,497
Trade receivables		2,549,529	310,036
Receivables from group enterprises		749,267	692,944
Other receivables		25,451	39,016
Income tax receivable		1,059,562	600,239
Prepayments		152,754	22,208
Receivables		4,536,563	1,664,443
Cash		4,989,811	141,038
Current assets		17,085,843	3,115,978
Assets		17,343,123	3,345,686

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		148,585	96,774
Retained earnings		12,774,774	(4,147,046)
Equity		12,923,359	(4,050,272)
Other provisions		52,805	35,680
Provisions		52,805	35,680
Convertible and dividend-yielding debt instruments		0	4,678,825
Non-current liabilities other than provisions		0	4,678,825
Bank loans		78,384	698,635
Trade payables		2,672,402	1,258,822
Other payables		1,616,173	723,996
Current liabilities other than provisions		4,366,959	2,681,453
Liabilities other than provisions		4,366,959	7,360,278
Equity and liabilities		17,343,123	3,345,686
Unrecognised rental and lease commitments	5		
Assets charged and collateral	6		

Statement of changes in equity for 2019

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Equity beginning of year	96,774	0	(4,147,046)	(4,050,272)
Increase of capital	51,811	22,420,536	0	22,472,347
Transfer to reserves	0	(22,420,536)	22,420,536	0
Profit/loss for the year	0	0	(5,498,716)	(5,498,716)
Equity end of year	148,585	0	12,774,774	12,923,359

Notes

1 Staff costs

	2019	2018
	DKK	DKK
Wages and salaries	5,518,030	1,939,830
Pension costs	11,594	0
Other social security costs	103,883	40,349
Other staff costs	488,896	157,991
	6,122,403	2,138,170
Average number of full-time employees	25	10

2 Depreciation, amortisation and impairment losses

	2019	2018
	DKK	DKK
Depreciation of property, plant and equipment	65,266	50,031
	65,266	50,031

3 Tax on profit/loss for the year

	2019	2018
	DKK	DKK
Current tax	(800,741)	(341,418)
Change in deferred tax	0	(23,878)
	(800,741)	(365,296)

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	167,052
Additions	115,000
Cost end of year	282,052
Depreciation and impairment losses beginning of year	(77,919)
Depreciation for the year	(65,266)
Depreciation and impairment losses end of year	(143,185)
Carrying amount end of year	138,867

5 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	196,203	166,539

6 Assets charged and collateral

Bank loans are secured by a corporate mortgage of DKK 1.250.000 with a mortgage on the property, plant, equipment, inventories and trade receivables.

The value of the pledged assets is DKK 10,247,595.

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, 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.

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 as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets as well as plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities 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.

Balance sheet**Property, plant and equipment**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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.

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	3-5 years
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Estimated useful lives and residual values are reassessed annually.

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.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise of anticipated costs of returns.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Other financial liabilities

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