



## ASTEP ApS

Esplanaden 6  
1263 København K  
CVR No. 36053097

## Annual report 2021

The Annual General Meeting adopted the  
annual report on 20.05.2022

---

**Alessandro Sarfatti**

Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's extended review report	4
Management commentary	6
Income statement for 2021	7
Balance sheet at 31.12.2021	8
Statement of changes in equity for 2021	10
Notes	11
Accounting policies	14

# Entity details

## Entity

ASTEP ApS

Esplanaden 6

1263 København K

Business Registration No.: 36053097

Registered office: Copenhagen

Financial year: 01.01.2021 - 31.12.2021

## Executive Board

Alessandro Ilin Ippolito Sarfatti, Chief Executive Officer

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management

The Executive Board has today considered and approved the annual report of ASTEP ApS for the financial year 01.01.2021 - 31.12.2021.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 20.05.2022

## Executive Board

**Alessandro Ilin Ippolito Sarfatti**  
Chief Executive Officer

# Independent auditor's extended review report

## To the shareholders of ASTEP ApS

### Conclusion

We have performed an extended review of the financial statements of ASTEP ApS for the financial year 01.01.2021 - 31.12.2021, 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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 conclusion 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, 20.05.2022

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

#### **Stine Eva Grothen**

State Authorised Public Accountant  
Identification No (MNE) mne29431

# Management commentary

## Primary activities

In common with previous years, the company's principal activities has been operating with industrial design and product design and other related activities.

## Description of material changes in activities and finances

The company has continued its normal business activities.

Developments and results for the year are considered satisfactory.

The company's contributed capital is lost according to the Danish Companies Act, which management will reestablish through positive results the coming years. Furthermore management has received a letter of support from its ultimate Parent; Sarfatti ApS.

Sales kept growing in 2021 with a significant +40%.

In Q3 and Q4 of 2020 we established a solid network of agencies in important European countries and we are continuing to increase our distribution base (we have now circa 400 dealers all over the world). These facts, together with an increasing visibility of the brand and our products on social medias and traditional international magazines, are the main factors of our growth in 2021 which we expect to continue in 2022.

The opening of our first flagship store in Copenhagen is another factor that explains our increased brand visibility which leads to increase in sales.

In the beginning of 2021, we started working with a new supplier that really improved the cost of our product that represents 35% of our sales. This is the main reason of the improvement in our first margin (COGS).

## 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 2021

	Notes	2021 DKK	2020 DKK
<b>Gross profit/loss</b>		<b>4,896,527</b>	<b>3,047,913</b>
Staff costs	2	(3,229,663)	(1,872,458)
Depreciation, amortisation and impairment losses		(310,882)	(111,559)
<b>Operating profit/loss</b>		<b>1,355,982</b>	<b>1,063,896</b>
Other financial income	3	33,413	58,388
Other financial expenses	4	(224,113)	(204,350)
<b>Profit/loss for the year</b>		<b>1,165,282</b>	<b>917,934</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		1,165,282	917,934
<b>Proposed distribution of profit and loss</b>		<b>1,165,282</b>	<b>917,934</b>



# Balance sheet at 31.12.2021

## Assets

	Notes	2021 DKK	2020 DKK
Acquired intangible assets		33,309	50,687
<b>Intangible assets</b>	5	<b>33,309</b>	<b>50,687</b>
Other fixtures and fittings, tools and equipment		347,966	259,681
Leasehold improvements		1,054,028	97,110
<b>Property, plant and equipment</b>	6	<b>1,401,994</b>	<b>356,791</b>
Deposits		310,000	431,800
<b>Financial assets</b>		<b>310,000</b>	<b>431,800</b>
<b>Fixed assets</b>		<b>1,745,303</b>	<b>839,278</b>
Manufactured goods and goods for resale		4,677,899	2,204,906
Prepayments for goods		0	24,825
<b>Inventories</b>		<b>4,677,899</b>	<b>2,229,731</b>
Trade receivables		1,052,877	590,750
Other receivables		773,696	900,569
Prepayments		27,789	65,178
<b>Receivables</b>		<b>1,854,362</b>	<b>1,556,497</b>
<b>Cash</b>		<b>518,906</b>	<b>1,430,924</b>
<b>Current assets</b>		<b>7,051,167</b>	<b>5,217,152</b>
<b>Assets</b>		<b>8,796,470</b>	<b>6,056,430</b>

## Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		55,556	55,556
Retained earnings		(4,041,984)	(5,207,266)
<b>Equity</b>		<b>(3,986,428)</b>	<b>(5,151,710)</b>
Payables to group enterprises		5,050,523	5,606,546
Other payables		440,493	301,444
<b>Non-current liabilities other than provisions</b>	7	<b>5,491,016</b>	<b>5,907,990</b>
Bank loans		1,960,904	638,784
Trade payables		4,404,130	3,607,209
Other payables		926,848	1,054,157
<b>Current liabilities other than provisions</b>		<b>7,291,882</b>	<b>5,300,150</b>
<b>Liabilities other than provisions</b>		<b>12,782,898</b>	<b>11,208,140</b>
<b>Equity and liabilities</b>		<b>8,796,470</b>	<b>6,056,430</b>
Going concern	1		
Unrecognised rental and lease commitments	8		
Contingent assets	9		
Contingent liabilities	10		

# Statement of changes in equity for 2021

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	55,556	(5,207,266)	(5,151,710)
Profit/loss for the year	0	1,165,282	1,165,282
<b>Equity end of year</b>	<b>55,556</b>	<b>(4,041,984)</b>	<b>(3,986,428)</b>

# Notes

## 1 Going concern

The Company has lost its entire share capital and, consequently, falls within the provisions of the Danish Companies Act governing loss of capital.

In connection with the preparation of the annual report for 2021 Management has received a letter of support from its ultimate Parent; Sarfatti ApS. In this letter of support the Parent confirms that it is willing and able to provide continuous financial support to the Company to enable it to operate as a going concern and to meet its obligations for at least 12 months from today date.

## 2 Staff costs

	<b>2021</b>	<b>2020</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	3,229,663	1,872,458
	<b>3,229,663</b>	<b>1,872,458</b>
Average number of full-time employees	<b>6</b>	<b>4</b>

## 3 Other financial income

	<b>2021</b>	<b>2020</b>
	<b>DKK</b>	<b>DKK</b>
Other interest income	33,413	58,388
	<b>33,413</b>	<b>58,388</b>

## 4 Other financial expenses

	<b>2021</b>	<b>2020</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	58,424	63,131
Other interest expenses	165,689	141,219
	<b>224,113</b>	<b>204,350</b>

## 5 Intangible assets

	<b>Acquired intangible assets DKK</b>
Cost beginning of year	52,135
<b>Cost end of year</b>	<b>52,135</b>
Amortisation and impairment losses beginning of year	(1,448)
Amortisation for the year	(17,378)
<b>Amortisation and impairment losses end of year</b>	<b>(18,826)</b>
<b>Carrying amount end of year</b>	<b>33,309</b>

## 6 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improvements DKK</b>
Cost beginning of year	499,651	163,764
Additions	204,534	1,134,173
Disposals	0	(163,764)
<b>Cost end of year</b>	<b>704,185</b>	<b>1,134,173</b>
Depreciation and impairment losses beginning of year	(239,970)	(66,654)
Depreciation for the year	(116,249)	(84,239)
Reversal regarding disposals	0	70,748
<b>Depreciation and impairment losses end of year</b>	<b>(356,219)</b>	<b>(80,145)</b>
<b>Carrying amount end of year</b>	<b>347,966</b>	<b>1,054,028</b>

## 7 Non-current liabilities other than provisions

	<b>Due after more than 12 months 2021 DKK</b>
Payables to group enterprises	5,050,523
Other payables	440,493
	<b>5,491,016</b>

## 8 Unrecognised rental and lease commitments

	<b>2021 DKK</b>	<b>2020 DKK</b>
Liabilities under rental or lease agreements until maturity in total	<b>3,270,000</b>	<b>550,000</b>

### **9 Contingent assets**

The company has a deferred tax asset of TDKK 1,497 calculated at a tax rate of 22% that is not recognized in the financial statements. There is uncertainty about the utilization of the asset. The tax asset primarily relates to tax losses and the differences between accounting and tax values for other intangible assets, leasehold improvements and other fixtures and fittings tools and equipment.

### **10 Contingent liabilities**

The Entity participates in a Danish joint taxation arrangement where Sarfatti ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and 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 a few 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 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.

### **Property costs**

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

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

### **Other financial income**

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, 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, 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, and tax surcharge under the Danish Tax Prepayment Scheme etc.

## **Balance sheet**

### **Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Patents are amortised on a straight-line basis over their remaining duration.

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:

Patents	3 years
---------	---------

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

### **Property, plant and equipment**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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
Leasehold improvements	10 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

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. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

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.

**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 financial liabilities**

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