

**CIID Nest ApS**  
Toldbodgade 37 B  
1253 København K  
Business Registration No  
36897570

## **Annual report 2018**

The Annual General Meeting adopted the annual report on 05.07.2019

### **Chairman of the General Meeting**

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Name: Simona Maschi

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## Entity details

### Entity

CIID Nest ApS  
Toldbodgade 37 B  
1253 København K

Central Business Registration No (CVR): 36897570

Registered in: København

Financial year: 01.01.2018 - 31.12.2018

### Executive Board

Simona Maschi, CEO

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
Postboks 1600  
0900 København C

## Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of CIID Nest ApS for the financial year 01.01.2018 - 31.12.2018.

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 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

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, 05.07.2019

### Executive Board

Simona Maschi  
CEO

# Independent auditor's report

## To the shareholders of CIID Nest ApS

### Opinion

We have audited the financial statements of CIID Nest ApS for the financial year 01.01.2018 - 31.12.2018, 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.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material uncertainty related to going concern

Without modifying our opinion, we point out that great uncertainty exists regarding the Company's going concern. We refer to the information provided in note 1, where the basis for Management's assumptions is described. According to Management's assessment this funding is sufficient and they present the annual report under the assumption of going concern.

### 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, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements 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 audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and

## Independent auditor's report

are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 financial statements 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent 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 internal control that we identify during our audit.

### **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.

## Independent auditor's report

In connection with our audit 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 audit 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 the 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, 05.07.2019

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR) 33963556

Bjørn Winkler Jakobsen  
State Authorised Public Accountant  
Identification No (MNE) mne32127

## Management commentary

### Primary activities

CIID Nest ApS contains the Nest at CIID. The Nest is a start-up incubator for design-driven entrepreneurs.

### Development in activities and finances

The Company has realised a loss of DKK 1.416.305, against a profit of DKK 801.927 in 2017.

The Company will have no activities for 2019. Further the majority of the liabilities comprise of debt to the parent company. The parent company has signed a subordination agreement thereby withdrawing from repayment until all other creditors have been paid in full. The subordination agreement is valid through 2019 and includes the current amount of the debt to the parent company at the balance date and through 2019. Management have therefore presented the annual report under the assumption of going concern.

Management expects positive results next year.

### 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 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
<b>Gross loss</b>		<b>(132.642)</b>	<b>(172.586)</b>
Income from other fixed asset investments		(1.281.475)	986.476
Other financial expenses	3	<u>(2.188)</u>	<u>(2.193)</u>
<b>Profit/loss before tax</b>		<b>(1.416.305)</b>	<b>811.697</b>
Tax on profit/loss for the year	4	<u>0</u>	<u>(9.770)</u>
<b>Profit/loss for the year</b>		<b><u>(1.416.305)</u></b>	<b><u>801.927</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>(1.416.305)</u>	<u>801.927</u>
		<b><u>(1.416.305)</u></b>	<b><u>801.927</u></b>

## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Other receivables		165.749	171.355
<b>Receivables</b>		<b>165.749</b>	<b>171.355</b>
Other investments		514.696	1.268.019
<b>Other investments</b>		<b>514.696</b>	<b>1.268.019</b>
<b>Cash</b>		<b>26.184</b>	<b>592.001</b>
<b>Current assets</b>		<b>706.629</b>	<b>2.031.375</b>
<b>Assets</b>		<b>706.629</b>	<b>2.031.375</b>

## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		50.000	50.000
Retained earnings		<u>(1.382.329)</u>	<u>33.976</u>
<b>Equity</b>		<b><u>(1.332.329)</u></b>	<b><u>83.976</u></b>
Subordinate loan capital		2.013.459	0
Trade payables		25.499	54.562
Payables to group enterprises		0	1.883.067
Income tax payable		<u>0</u>	<u>9.770</u>
<b>Current liabilities other than provisions</b>		<b><u>2.038.958</u></b>	<b><u>1.947.399</u></b>
<b>Liabilities other than provisions</b>		<b><u>2.038.958</u></b>	<b><u>1.947.399</u></b>
<b>Equity and liabilities</b>		<b><u>706.629</u></b>	<b><u>2.031.375</u></b>
Going concern	1		
Staff costs	2		
Contingent liabilities	5		

## Statement of changes in equity for 2018

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>
Equity beginning of year	50.000	33.976	83.976
Profit/loss for the year	<u>0</u>	<u>(1.416.305)</u>	<u>(1.416.305)</u>
<b>Equity end of year</b>	<b><u>50.000</u></b>	<b><u>(1.382.329)</u></b>	<b><u>(1.332.329)</u></b>

## Notes

### 1. Going concern

The Company will have no activities for 2019. Further the majority of the liabilities comprise of debt to the parent company. The parent company has signed a subordination agreement thereby withdrawing from repayment until all other creditors have been paid in full. The subordination agreement is valid through 2019 and includes the current amount of the debt to the parent company at the balance date and through 2019. Management have therefore presented the annual report under the assumption of going concern.

	<u>2018</u>	<u>2017</u>
<b>2. Staff costs</b>		
Average number of employees	<u>0</u>	

	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK</u>
<b>3. Other financial expenses</b>		
Other interest expenses	0	5
Other financial expenses	<u>2.188</u>	<u>2.188</u>
	<u><b>2.188</b></u>	<u><b>2.193</b></u>

	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK</u>
<b>4. Tax on profit/loss for the year</b>		
Current tax	<u>0</u>	<u>9.770</u>
	<u><b>0</b></u>	<u><b>9.770</b></u>

### 5. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Copenhagen Institute of Interaction Design 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 certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

### Income statement

#### Gross profit or loss

Gross profit or loss comprises other operating income and external expenses.

#### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

#### 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.

#### Income from other fixed asset investments

Income from other fixed asset investments comprises gains in the form of interest, dividends, etc on fixed asset investments which are not investments in group enterprises or associates.

#### 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

#### Receivables

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

#### Other investments

Other current asset investments comprise unlisted investments measured at fair value (market price) at the balance sheet date. If fair value based on recent purchase of the investment is not available then fair value is calculated based on the net present value of the investment. If such a calculation is not possible the investment is measured at cost.

## **Accounting policies**

### **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.

### **Income tax receivable or payable**

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