

[jo:ga] ApS
Griffenfeldsgade 7 A, st. tv.
2200 København N
Business Registration No
38322494

Annual report 2018

The Annual General Meeting adopted the annual report on 29.05.2019

Chairman of the General Meeting

Name: Peder Andreas Bang

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Entity details

Entity

[jo:ga] ApS

Griffenfeldsgade 7 A, st. tv.

2200 København N

Central Business Registration No (CVR): 38322494

Registered in: København

Financial year: 01.01.2018 - 31.12.2018

Executive Board

Klaus Vesti Andersen

Peder Andreas Bang

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 [jo:ga] 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 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.

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, 15.05.2019

Executive Board

Klaus Vesti Andersen

Peder Andreas Bang

Independent auditor's extended review report

To the shareholders of [jo:ga] ApS

Conclusion

We have performed an extended review of the financial statements of [jo:ga] 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.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 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 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". 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.

Independent auditor's extended review report

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, 15.05.2019

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556

Claus Jorch Andersen

State Authorised Public Accountant

Identification No (MNE) mne33712

Management commentary

Primary activities

The company's activity consists of teaching in yoga centers.

Development in activities and finances

Loss of the year amounts to DKK 3,183 thousand which is in line with expectations since the company is in a start-up and growth phase.

The Company has lost more than 50% of its contributed capital. Management has launched initiatives to re-establish the contributed capital through the Company's operations. Management expects the contributed capital to be re-established through operating profits over the next few years.

The Company has received a letter of subordination from the sister company Crossfit Copenhagen ApS concerning payables to group enterprises totalling DKK 11,802 thousand.

In continuation hereof, the Parent has issued a letter of support which is effective for 12 months of today. Consequently, Management considers that there is no uncertainty related to the continued operations.

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'000</u>
Gross profit/loss		3.429.211	(243)
Staff costs	2	(5.155.333)	(3.150)
Depreciation, amortisation and impairment losses	3	<u>(1.845.854)</u>	<u>(537)</u>
Operating profit/loss		(3.571.976)	(3.930)
Other financial income		452	0
Other financial expenses	4	<u>(508.758)</u>	<u>(146)</u>
Profit/loss before tax		(4.080.282)	(4.076)
Tax on profit/loss for the year	5	<u>897.436</u>	<u>896</u>
Profit/loss for the year		<u>(3.182.846)</u>	<u>(3.180)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(3.182.846)</u>	<u>(3.180)</u>
		<u>(3.182.846)</u>	<u>(3.180)</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Other fixtures and fittings, tools and equipment		103.484	105
Leasehold improvements		<u>7.030.277</u>	<u>5.081</u>
Property, plant and equipment	6	<u>7.133.761</u>	<u>5.186</u>
Other receivables		<u>296.235</u>	<u>268</u>
Fixed asset investments	7	<u>296.235</u>	<u>268</u>
Fixed assets		<u>7.429.996</u>	<u>5.454</u>
Trade receivables		40.272	68
Deferred tax		368.419	896
Other receivables		15.717	33
Joint taxation contribution receivable		910.115	0
Prepayments		<u>92.399</u>	<u>113</u>
Receivables		<u>1.426.922</u>	<u>1.110</u>
Cash		<u>1.844</u>	<u>5</u>
Current assets		<u>1.428.766</u>	<u>1.115</u>
Assets		<u>8.858.762</u>	<u>6.569</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Contributed capital		50.000	50
Retained earnings		<u>(6.362.624)</u>	<u>(3.180)</u>
Equity		<u>(6.312.624)</u>	<u>(3.130)</u>
Bank loans		1.325.355	1.766
Payables to group enterprises		<u>11.801.676</u>	<u>5.573</u>
Non-current liabilities other than provisions	8	<u>13.127.031</u>	<u>7.339</u>
Current portion of long-term liabilities other than provisions	8	552.000	552
Bank loans		168.276	215
Deposits		71.438	36
Prepayments received from customers		303.109	473
Trade payables		465.508	512
Other payables	9	<u>484.024</u>	<u>572</u>
Current liabilities other than provisions		<u>2.044.355</u>	<u>2.360</u>
Liabilities other than provisions		<u>15.171.386</u>	<u>9.699</u>
Equity and liabilities		<u>8.858.762</u>	<u>6.569</u>
Going concern	1		
Contingent liabilities	10		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Total DKK
	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>
Equity beginning of year	50.000	(3.179.778)	(3.129.778)
Profit/loss for the year	<u>0</u>	<u>(3.182.846)</u>	<u>(3.182.846)</u>
Equity end of year	<u>50.000</u>	<u>(6.362.624)</u>	<u>(6.312.624)</u>

Notes

1. Going concern

The Company has lost more than 50% of its contributed capital. Management has launched initiatives to re-establish the contributed capital through the Company's operations. Management expects the contributed capital to be re-established through operating profits over the next few years.

The Company has received a letter of subordination from the sister company Crossfit Copenhagen ApS concerning payables to group enterprises totalling DKK 11,802 thousand.

In continuation hereof, the Parent has issued a letter of support which is effective for 12 months of today. Consequently, Management considers that there is no uncertainty related to the continued operations.

	2018	2017
	DKK	DKK'000
2. Staff costs		
Wages and salaries	4.961.777	3.029
Pension costs	75.525	11
Other social security costs	58.263	15
Other staff costs	59.768	95
	5.155.333	3.150
Average number of employees	9	5

	2018	2017
	DKK	DKK'000
3. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	1.622.408	537
Impairment losses on property, plant and equipment	223.446	0
	1.845.854	537

	2018	2017
	DKK	DKK'000
4. Other financial expenses		
Financial expenses from group enterprises	374.707	114
Other financial expenses	134.051	32
	508.758	146

Notes

	2018	2017
	DKK	DKK'000
5. Tax on profit/loss for the year		
Change in deferred tax	12.679	(896)
Refund in joint taxation arrangement	(910.115)	0
	(897.436)	(896)
	Other	Leasehold
	fixtures and	improve-
	fittings,	ments
	tools and	DKK
	equipment	DKK
6. Property, plant and equipment		
Cost beginning of year	114.587	5.608.228
Additions	31.742	3.762.098
Cost end of year	146.329	9.370.326
Depreciation and impairment losses beginning of year	(10.432)	(526.608)
Impairment losses for the year	0	(223.446)
Depreciation for the year	(32.413)	(1.589.995)
Depreciation and impairment losses end of year	(42.845)	(2.340.049)
Carrying amount end of year	103.484	7.030.277
		Other
		receivables
		DKK
7. Fixed asset investments		
Cost beginning of year		267.569
Additions		183.780
Disposals		(155.114)
Cost end of year		296.235
Carrying amount end of year		296.235

Notes

	Due within 12 months 2018 DKK	Due within 12 months 2017 DKK'000	Due after more than 12 months 2018 DKK
8. Liabilities other than provisions			
Bank loans	552.000	552	1.325.355
Payables to group enterprises	<u>0</u>	<u>0</u>	<u>11.801.676</u>
	<u>552.000</u>	<u>552</u>	<u>13.127.031</u>

No debt occurs after 5 years.

	2018 DKK	2017 DKK'000
9. Other payables		
VAT and duties	0	166
Wages and salaries, personal income taxes, social security costs, etc payable	451.651	370
Other costs payable	<u>32.373</u>	<u>36</u>
	<u>484.024</u>	<u>572</u>

10. Contingent liabilities

The Company has entered into non-terminable lease agreements. The total rental obligations amounts to DKK 12,645 thousand at financial year-end.

The Company is jointly registered for VAT with the sister company Crossfit Copenhagen ApS, thus the Company is jointly and severally liable for VAT obligations.

The Entity participates in a Danish joint taxation arrangement where World of Boxes 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.

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, cost of sales and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made 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.

Accounting policies

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 property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income.

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.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

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	4 years
Leasehold improvements	5 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.

Accounting policies

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

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.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.