

# **Ades ApS**

**Dronningens Tværgade 50, 1302 København K**

**Company reg. no. 38 44 46 70**

## **Annual report**

**1 July 2020 - 30 June 2021**

The annual report was submitted and approved by the general meeting on the 22 December 2021.

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**Robert Paul Timothy Adés**  
Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

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## **Management's report**

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Today, the managing director has presented the annual report of Ades ApS for the financial year 1 July 2020 - 30 June 2021.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 30 June 2021 and of the company's results of activities in the financial year 1 July 2020 – 30 June 2021.

The managing director consider the conditions for audit exemption of the 2020/21 financial statements to be met.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

København K, 22 December 2021

**Managing Director**

Kirstine Meier Carlsen

## **Company information**

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### **The company**

Ades ApS  
Dronningens Tværgade 50  
1302 København K

Company reg. no. 38 44 46 70  
Financial year: 1 July - 30 June

### **Managing Director**

Kirstine Meier Carlsen

## **Management commentary**

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### **The principal activities of the company**

The principal activities of the company consists in selling design goods.

### **Unusual matters**

As a result of COVID-19, the company received compensation from the state's aid packages during the financial year, which has had a positive effect on the result for the year by DKK thousand. 117 before tax.

### **Uncertainties as to recognition or measurement**

There has been no significant uncertainty in unusual circumstances that have affected recognition or measurement.

### **Development in activities and financial matters**

The company's result and economic development are considered not satisfactory.

The company has a negative equity of DKK 1.235.575, and the prerequisite for the company's continued operation is, at the current credit facilities can be maintained. The negative equity is financed by a debt to the main shareholder of DKK 1.286.012.

### **The expected development**

The company expects improved results for the coming year.

### **Events subsequent to the financial year**

There are no post balance sheet significant events have occurred which are considered to have significant influence on the assesment of the annual report.

## **Accounting policies**

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The annual report for Ades ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### **Recognition and measurement in general**

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

### **Income statement**

#### **Gross profit**

The gross profit comprises the net turnover, other operating income, consumption of goods and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

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

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and leasing costs.

## Accounting policies

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### 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 on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

### 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 future, be recognised as a change in the accounting estimates.

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

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	5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

## **Accounting policies**

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Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

### **Impairment loss relating to non-current assets**

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

### **Financial fixed assets**

#### **Deposits**

Deposits are measured at amortised cost and represent rent deposits, etc.

#### **Inventories**

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

#### **Receivables**

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

#### **Available funds**

Available funds comprise cash at bank and in hand.



## **Accounting policies**

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### **Income tax and deferred tax**

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

### **Liabilities other than provisions**

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

## Income statement 1 July - 30 June

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All amounts in DKK.

<u>Note</u>	<u>2020/21</u>	<u>2019/20</u>
<b>Gross profit</b>	<b>1.077.066</b>	<b>696.382</b>
3 Staff costs	-1.666.085	-504.100
Depreciation and impairment of property, land, and equipment	-129.539	-46.205
<b>Operating profit</b>	<b>-718.558</b>	<b>146.077</b>
Other financial costs	-28.642	-12.644
<b>Pre-tax net profit or loss</b>	<b>-747.200</b>	<b>133.433</b>
Tax on ordinary results	0	0
<b>Net profit or loss for the year</b>	<b>-747.200</b>	<b>133.433</b>
<b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	0	133.433
Allocated from retained earnings	-747.200	0
<b>Total allocations and transfers</b>	<b>-747.200</b>	<b>133.433</b>

## Statement of financial position at 30 June

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All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
<b>Non-current assets</b>		
Other fixtures and fittings, tools and equipment	525.284	413.174
Total property, plant, and equipment	525.284	413.174
Deposits	374.500	374.500
Total investments	374.500	374.500
<b>Total non-current assets</b>	<b>899.784</b>	<b>787.674</b>
<b>Current assets</b>		
Manufactured goods and trade goods	644.400	310.678
Total inventories	644.400	310.678
Trade receivables	140.076	0
Other debtors	0	3.400
Total receivables	140.076	3.400
Available funds	123.747	254.617
<b>Total current assets</b>	<b>908.223</b>	<b>568.695</b>
<b>Total assets</b>	<b>1.808.007</b>	<b>1.356.369</b>

## Statement of financial position at 30 June

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All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Contributed capital	50.000	50.000
Results brought forward	<u>-1.285.575</u>	<u>-538.375</u>
<b>Total equity</b>	<b><u>-1.235.575</u></b>	<b><u>-488.375</u></b>
<b>Liabilities other than provisions</b>		
Trade creditors	179.138	42.246
Other debts	<u>2.864.444</u>	<u>1.802.498</u>
Total short term liabilities other than provisions	<u>3.043.582</u>	<u>1.844.744</u>
<b>Total liabilities other than provisions</b>	<b><u>3.043.582</u></b>	<b><u>1.844.744</u></b>
<b>Total equity and liabilities</b>	<b><u>1.808.007</u></b>	<b><u>1.356.369</u></b>

- 1 Uncertainties concerning the enterprise's ability to continue as a going concern
- 2 Special items
- 4 Contingencies

## Notes

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All amounts in DKK.

	<u>2020/21</u>	<u>2019/20</u>
<b>1. Uncertainties concerning the enterprise's ability to continue as a going concern</b>		
The company has a negative equity of DKK 1.235.575, and the prerequisite for the company's continued operation is, at the current credit facilities can be maintained. The negative equity is financed by a debt to the main shareholder of DKK 1.286.012.		
<b>2. Special items</b>		
As mentioned in the management commentary, the result for the year was positively affected by DKK thousand. 117 before tax of compensation aid packages in connection with COVID-19.		
Special items for the year are specified below, indicating where they are recognised in the income statement.		
Income:		
Compensation for salary	116.688	131.372
	<u>116.688</u>	<u>131.372</u>
Special items are recognised in the following items in the financial statements:		
Gross profit	116.688	131.372
<b>Profit of special items, net</b>	<b><u>116.688</u></b>	<b><u>131.372</u></b>
<b>3. Staff costs</b>		
Salaries and wages	1.640.002	492.588
Other costs for social security	26.083	11.512
	<u>1.666.085</u>	<u>504.100</u>
Average number of employees	<u>5</u>	<u>2</u>
<b>4. Contingencies</b>		
<b>Contingent liabilities</b>		
Rental and leasing liabilities:		
The company has assumed a rental obligation of rented premises in addition to the normal term of notice, the rental obligation can be calculated to minimum DKK 2,2 mio. at status day.		