VC Europe ApS

Mariendalsvej 11A

8800 Viborg

CVR No. 38842196

Annual Report 2017/18

1. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 31 May 2019

Raj Gokal
Chairman

Contents

Management's Statement

Today, Management has considered and adopted the Annual Report of VC Europe ApS for the financial year 7 August 2017 - 31 December 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 assets, liabilities and financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 7 August 2017 - 31 December 2018.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

The conditions for not conducting an audit of the Financial Statement have been met.

We recommend that the Annual Report be adopted at the Annual General Meeting.

, 31 May 2019

Executive Board

Raj Gokal
Man. Director

Company details

Company	VC Europe ApS Mariendalsvej 11A 8800 Viborg
Telephone	1 224 245 49 89
CVR No.	38842196
Date of formation	7 August 2017
Financial year	7 August 2017 - 31 December 2018
Executive Board	Raj Gokal, Man. Director

Management's Review

The Company's principal activities
The Company's principal activities consist in selling life style products.

Development in activities and financial matters
The Company's Income Statement of the financial year 7 August 2017 - 31 December 2018 shows a result of DKK -87.623 and the Balance Sheet at 31 December 2018 a balance sheet total of DKK 247.049 and an equity of DKK 37.358.

Accounting Policies

Reporting Class
The Annual Report of VC Europe ApS for 2017/18 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency
The Annual Report is presented in Danish kroner.

General Information

Basis of recognition and measurement
The financial statement have been prepared under the historical cost princip.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

Revenue
Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the byer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive og VAT and net of sales discounts.

Other external expenses
Other external costs include costs for distribution, sales, advertising, administration, premises. loss of debitors, operating leasing costs etc.

Amortisation and impairment of tangible and intangible assets
Amortisation and impairment of intangible and tangible assets has been performed based on a continuing

Accounting Policies

assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Properties	20-50 years	0%
Other fixtures and fittings, tools and equipment	3-10 years	0%
Leasehold improvements	5 years	0%

Land is not amortised.

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

Financial income and expenses
Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect offinance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Dividends equity investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year
Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Tangible assets
Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase priceand expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are seperately depreciated if the usefull lives of the individual components differ.

Depreciation is calculated using the straight-line method over teh following estimated useful lives of the individual assets and their residual values:

Properties: 20-40 years

Accounting Policies

Plant and machinery:	5-7 years
Tools and equipment:	3-5 years
Leasehold improvements	3-5 years

Gains or losses arising from the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amounts at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expense.

Property, plant and equipment held under leases and qualifying as finance leases are treated according to the same guidelines as assets owned.

Receivables
Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Accrued income, assets
Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity
Current tax liabilities
Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Liabilities
Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Contingent assets and liabilities
Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2017/18 kr.
Gross profit		**-109.627**
Profit from ordinary operating activities		**-109.627**
Finance expences		111
Profit from ordinary activities before tax		**-109.516**
Tax expense on ordinary activities		21.893
Profit		**-87.623**

Proposed distribution of results	
Retained earnings	-87.623
Distribution of profit	**-87.623**

Balance Sheet as of 31 December

	Note	2018 kr.
Assets		
Manufactured goods and goods for resale		153.998
Inventories		**153.998**
Short-term trade receivables		61.716
Other short-term receivables		21.893
Receivables		**83.609**
Cash and cash equivalents		**9.442**
Current assets		**247.049**
Assets		**247.049**

Balance Sheet as of 31 December

	Note	2018 kr.
Liabilities and equity		
Contributed capital	1	124.981
Retained earnings	2	-87.623
Equity		**37.358**
Payables to shareholders and management		133.116
Long-term liabilities other than provisions	3	**133.116**
Other payables		9.497
Short-term liabilities other than provisions		**9.497**
		67.078
Liabilities other than provisions within the business		**209.691**
Liabilities and equity		**247.049**
Contingent liabilities	4	
Collaterals and assets pledges as security	5	

Notes

	2017/18

1. Contributed capital

Balance at the beginning of the year	124.981
Balance at the end of the year	**124.981**

The share capital has remained unchanged for the last 5 years.

2. Retained earnings

Additions during the year	-87.623
Balance at the end of the year	**-87.623**

3. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Payables to shareholders and management	133.116		
	133.116		

4. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

5. Collaterals and securities

No securities or mortgages exist at the balance sheet date.