

World of Boxes ApS
Griffenfeldsgade 7 A, st.
2200 København N
Business Registration No
38870734

Annual report 2018

The Annual General Meeting adopted the annual report on 29.05.2019

Chairman of the General Meeting

Name: Morten Rosenmejer

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Entity details

Entity

World of Boxes ApS
Griffenfeldsgade 7 A, st.
2200 København N

Central Business Registration No (CVR): 38870734

Registered in: København

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Peder Andreas Bang
Klaus Vesti Andersen

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 Board of Directors and the Executive Board have today considered and approved the annual report of World of Boxes 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

Board of Directors

Peder Andreas Bang

Klaus Vesti Andersen

Independent auditor's extended review report

To the shareholders of World of Boxes ApS

Conclusion

We have performed an extended review of the financial statements of World of Boxes 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 purpose is to invest in other companies offering products and services related to body movement and health activities and other related businesses.

Development in activities and finances

Profit for the year amounts to DKK 6,836 thousand. Management considers the results satisfactory

Management expects a similar result for 2019.

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>
Gross loss		(28.900)	(12.000)
Income from investments in group enterprises		6.860.152	2.229.795
Other financial expenses	1	<u>(1.829)</u>	<u>0</u>
Profit/loss before tax		6.829.423	2.217.795
Tax on profit/loss for the year	2	<u>6.379</u>	<u>2.640</u>
Profit/loss for the year		<u>6.835.802</u>	<u>2.220.435</u>
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		0	1.000.000
Transferred to reserve for net revaluation according to the equity method		6.860.152	1.657.685
Retained earnings		<u>(24.350)</u>	<u>(437.250)</u>
		<u>6.835.802</u>	<u>2.220.435</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Investments in group enterprises		25.740.607	18.693.545
Fixed asset investments	3	25.740.607	18.693.545
Fixed assets		25.740.607	18.693.545
Receivables from group enterprises		401.600	0
Dividends receivable from group enterprises		0	1.000.000
Deferred tax		0	2.640
Joint taxation contribution receivable		2.033.506	0
Receivables		2.435.106	1.002.640
Cash		723.674	0
Current assets		3.158.780	1.002.640
Assets		28.899.387	19.696.185

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		125.000	125.000
Reserve for net revaluation according to the equity method		15.587.235	8.727.083
Retained earnings		9.807.752	9.832.102
Proposed dividend		<u>0</u>	<u>1.000.000</u>
Equity		<u>25.519.987</u>	<u>19.684.185</u>
Payables to group enterprises		629.445	0
Payables to associates		710.828	0
Income tax payable		2.027.127	0
Other payables		<u>12.000</u>	<u>12.000</u>
Current liabilities other than provisions		<u>3.379.400</u>	<u>12.000</u>
Liabilities other than provisions		<u>3.379.400</u>	<u>12.000</u>
Equity and liabilities		<u>28.899.387</u>	<u>19.696.185</u>
Contingent liabilities	4		

Statement of changes in equity for 2018

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Proposed dividend DKK
Equity beginning of year	125.000	8.727.083	9.832.102	1.000.000
Ordinary dividend paid	0	0	0	(1.000.000)
Profit/loss for the year	0	6.860.152	(24.350)	0
Equity end of year	125.000	15.587.235	9.807.752	0
				Total DKK
Equity beginning of year				19.684.185
Ordinary dividend paid				(1.000.000)
Profit/loss for the year				6.835.802
Equity end of year				25.519.987

Notes

	2018	2017
	DKK	DKK
1. Other financial expenses		
Other interest expenses	1.829	0
	1.829	0
2. Tax on profit/loss for the year		
Change in deferred tax	0	(2.640)
Refund in joint taxation arrangement	(6.379)	0
	(6.379)	(2.640)
		Invest-
		ments in
		group
		enterprises
		DKK
3. Fixed asset investments		
Cost beginning of year		17.626.004
Additions		186.910
Cost end of year		17.812.914
Revaluations beginning of year		1.067.541
Amortisation of goodwill		(1.026.935)
Share of profit/loss for the year		4.704.241
Other adjustments		3.182.846
Revaluations end of year		7.927.693
Carrying amount end of year		25.740.607

4. Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. 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 these entities.

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 other external expenses.

Other external expenses

Other external expenses include administration expenses.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Accounting policies

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

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. For other amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Investments in group enterprises 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.

Accounting policies

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.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

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.