

Circle Studio ApS

**Wilders Plads 9 B
1403 København K**

CVR no. 38 98 52 72

**Annual report for 2017/18
(1st Financial year)**

Adopted at the annual general
meeting on 24 June 2019

Joshua James Flowers
chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Management's review	
Company details	2
Management's review	3
Financial statements	
Accounting policies	4
Income statement 4 October - 31 December	6
Balance sheet 31 December	7
Notes to the annual report	9

Statement by management on the annual report

The executive board has today discussed and approved the annual report of Circle Studio ApS for the financial year 4 October 2017 - 31 December 2018.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 4 October 2017 - 31 December 2018.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 24 June 2019

Executive board

Joshua James Flowers
Director

Company details

The company

Circle Studio ApS
Wilders Plads 9 B
1403 København K

CVR no.: 38 98 52 72

Reporting period: 4 October 2017 - 31 December 2018

Domicile: Copenhagen

Executive board

Joshua James Flowers

Management's review

Business activities

The company's purpose is to design, produce and sell computers as well as products related to it.

Business review

The company's income statement for the year ended 31 December shows a loss of DKK 93.007, and the balance sheet at 31 December 2018 shows negative equity of DKK 43.007.

Accounting policies

The annual report of Circle Studio ApS for 2017/18 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The annual report for 2017/18 is presented in DKK

As 2017/18 is the company's first reporting period, no comparatives have been presented.

Basis of recognition and measurement

I resultatopgørelsen indregnes indtægter, i takt med at de indtjenes. Herudover indregnes værdireguleringer af finansielle aktiver og forpligtelser. I resultatopgørelsen indregnes ligeledes alle omkostninger, herunder afskrivninger og nedskrivninger.

Aktiver indregnes i balancen, når det er sandsynligt, at fremtidige økonomiske fordele vil tilflyde selskabet og aktivets værdi kan måles pålideligt.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Accounting policies

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Income statement 4 October - 31 December

	<u>Note</u>	<u>2017/18</u> DKK
Gross profit		-91.924
Financial costs		<u>-1.083</u>
Profit/loss for the year		<u><u>-93.007</u></u>
Retained earnings		<u>-93.007</u>
		<u><u>-93.007</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2017/18</u> DKK
Assets		
Cash at bank and in hand		<u>1.269</u>
Total current assets		<u>1.269</u>
Total assets		<u><u>1.269</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2017/18</u> DKK
Equity and liabilities		
Share capital		50.000
Retained earnings		<u>-93.007</u>
Equity	1	<u>-43.007</u>
Payables to shareholders and management		37.446
Other payables		<u>6.830</u>
Total current liabilities		<u>44.276</u>
Total liabilities		<u>44.276</u>
Total equity and liabilities		<u><u>1.269</u></u>

Notes

1 Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 4 October 2017	50.000	0	50.000
Net profit/loss for the year	0	-93.007	-93.007
Equity at 31 December 2018	<u>50.000</u>	<u>-93.007</u>	<u>-43.007</u>