

# Norlis ApS

c/o COPAC, Diplomvej 381  
DK- Kongens Lyngby

CVR no. 39 06 81 84

## Annual report 2020

The annual report was presented and approved at the  
Company's annual general meeting on

6 July 2021

Yuyang Feng  
Chairman

## Contents

Statement by the Executive Board	2
Auditor's report on the compilation of financial statements	3
Management's review	4
Company details	4
Operating review	5
Financial statements 1 January – 31 December	6
Income statement	6
Balance sheet	7
Notes	9

**Norlis ApS**  
Annual report 2020  
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## **Statement by the Executive Board**

The Executive Board has today discussed and approved the annual report of Norlis ApS for the financial year 1 January – 31 December 2020.

The annual report, which has not been audited, is presented in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

I recommend that the annual report be approved at the annual general meeting.

Kongens Lyngby 6 July 2021  
Executive Board:

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Yuyang Feng

Management confirms that the Company fulfills the requirements to be exempt of audit.



## Auditor's report on the compilation of financial statements

### To the Management of Norlis ApS

We have compiled the financial statements of Norlis ApS for the financial year 1 January – 31 December 2020 based on the Company's bookkeeping records and other information provided by you.

The financial statements comprise income statement, balance sheet and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 *Engagements to Compile Financial Statements*.

We have applied our professional expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with the independence and other ethical requirements of the IESBA Codes of Ethics, which is based on fundamental principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion as to whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 6 July 2021

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Morten Høgh-Petersen  
State Authorised  
Public Accountant  
mne34283

**Norlis ApS**  
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## **Management's review**

### **Company details**

Norlis ApS  
c/o COPAC  
Diplomvej 381  
Kongens Lyngby

CVR no.: 39 06 81 84  
Financial year: 1 January – 31 December

### **Executive Board**

Yuyang Feng

## **Management's review**

### **Operating review**

#### **Principal activities**

The Company's primary activity is to sell cosmetic products.

#### **Development in activities and financial position**

The Company's income statement for 2020 shows a profit of DKK 434,816 as against DKK -3,603 in 2019. Equity in the Company's balance sheet at 31 December 2020 stood at DKK 456,089 as against DKK -6,527 at 31 December 2019.

#### **Events after the balance sheet date**

No significant events have occurred after the balance sheet date, which could influence the evaluation of the Company's financial position at 31 December 2020.

## Financial statements 1 January – 31 December

### Income statement

DKK	Note	2020	2019
<b>Gross profit/loss</b>		710,134	-1,627
Staff costs	2	-112,862	-2,686
Depreciation, amortisation and impairment losses		-37,920	0
<b>Profit/loss before financial income and expenses</b>		559,352	-4,313
Other financial expenses		-1,190	-3
<b>Profit/loss before tax</b>		558,162	-4,316
Tax on profit/loss for the year	3	-123,346	713
<b>Profit/loss for the year</b>		434,816	-3,603
<b>Proposed profit appropriation/distribution of loss</b>			
Retained earnings		434,816	-3,603

## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	<u>31/12 2020</u>	<u>31/12 2019</u>
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Property, plant and equipment</b>			
Fixtures and fittings, tools and equipment		<u>151,680</u>	<u>0</u>
<b>Investments</b>			
Deposits		<u>14,000</u>	<u>0</u>
<b>Total fixed assets</b>		<u>165,680</u>	<u>0</u>
<b>Current assets</b>			
<b>Inventories</b>			
Finished goods and goods for resale		<u>0</u>	<u>14,788</u>
<b>Receivables</b>			
Other receivables		200	1,974
Deferred tax asset		<u>0</u>	<u>4,308</u>
		<u>200</u>	<u>6,282</u>
<b>Cash at bank and in hand</b>		<u>742,574</u>	<u>5,120</u>
<b>Total current assets</b>		<u>742,774</u>	<u>26,190</u>
<b>TOTAL ASSETS</b>		<u><u>908,454</u></u>	<u><u>26,190</u></u>



## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	31/12 2020	31/12 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		40,000	10,000
Retained earnings		416,089	-16,527
<b>Total equity</b>		<u>456,089</u>	<u>-6,527</u>
<b>Provisions</b>			
Provisions for deferred tax		2,086	0
<b>Total provisions</b>		<u>2,086</u>	<u>0</u>
<b>Liabilities other than provisions</b>			
<b>Current liabilities other than provisions</b>			
Trade payables		0	3,000
Payables to group entities		76,952	0
Other payables		373,181	29,717
Payables to shareholders and Management		146	0
		<u>450,279</u>	<u>32,717</u>
<b>Total liabilities other than provisions</b>		<u>450,279</u>	<u>32,717</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>908,454</u></u>	<u><u>26,190</u></u>
<b>Contractual obligations, contingencies, etc.</b>	4		

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Norlis ApS for 2020 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

### Income statement

#### Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

#### Revenue

Income from the sale of goods, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ® 2010

#### Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

#### Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

#### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

#### Financial income and expenses

Financial income and expenses comprise interest income and expenses.

#### Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

### Balance sheet

#### Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	5 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

#### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

#### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

#### Cash at bank and in hand

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

#### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

#### Liabilities other than provisions

Other liabilities are measured at net realisable value.

## Financial statements 1 January – 31 December

### Notes

#### 2 Staff costs

	2020	2019
DKK		
Wages and salaries	100,483	2,686
Pensions	12,000	0
Other social security costs	379	0
	<u>112,862</u>	<u>2,686</u>
Average number of full-time employees	<u>1</u>	<u>1</u>

#### 3 Tax on profit/loss for the year

	2020	2019
DKK		
Current tax for the year	116,952	-713
Deferred tax for the year	6,394	0
	<u>123,346</u>	<u>-713</u>

#### 4 Contractual obligations, contingencies, etc.

##### Contingent liabilities

The Company is jointly taxed with other group companies and is jointly liable with the other group companies for payable and unsetting corporation and withholding taxes. The total amount for payable corporate tax is shown in the annual report for Aurora Holding ApS. Any subsequent corrections to the corporate tax and withholding taxes can lead to an increased liability for the Company.