



Final Gravity ApS

Humletorvet 27, 3.
1799 København V
CVR No. 39177978

Annual report 2020

The Annual General Meeting adopted the
annual report on 02.07.2021

Kenneth Bundgaard Madsen
Chairman of the General Meeting

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Entity details

Entity

Final Gravity ApS
Humletorvet 27, 3.
1799 København V

CVR No.: 39177978
Registered office: København
Financial year: 01.01.2020 - 31.12.2020

Executive Board

Mikkel Bjergsø
Jacob Gram Alsing
Mie Albæk Nielsen
Stina Caroline Engelgaard

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Lead Client Service Partner : Bjørn Winkler Jakobsen

Statement by Management

The Executive Board have today considered and approved the annual report of Final Gravity ApS for the financial year 01.01.2020 - 31.12.2020.

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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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, 02.07.2021

Executive Board

Mikkel Bjergsø

Jacob Gram Alsing

Mie Albæk Nielsen

Stina Caroline Engelgaard

Independent auditor's extended review report

To the shareholders of Final Gravity ApS

Conclusion

We have performed an extended review of the financial statements of Final Gravity ApS for the financial year 01.01.2020 - 31.12.2020, 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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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" section. 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.

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, 02.07.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Hans Tauby

State Authorised Public Accountant
Identification No (MNE) mne44339

Management commentary

Primary activities

The company's activities comprise in selling running apparel and a range of cotton merchandise products sold through own points of sale (webshop and pop-ups) plus selected retailers.

Development in activities and finances

The income statement for 2020 shows a loss of DKK 207.584 against a profit of DKK 45.864 last year, which management considers expected. The balance sheet shows a negative equity of DKK 272.739.

The global effect of the COVID-19 outbreak has significantly affected the company and Management has taken reasonable measures to secure the performance of the company through this global crisis.

The Management has found that the equity is lost per 31 December 2020 and that the current liabilities exceeds the current assets in the balance sheet. The Management is working on a plan to re-establish the equity and improve the cash flow through the income investments in group enterprises.

The management has based on cash flow projections presented the financial statements on a going concern basis. The company is not entitled to support from the owners, which causes an uncertainty about the company's capability of continuing operation.

Events after the balance sheet date

The re-opening of the society in 2021 will be a determining factor for the economic performance in 2021.

Other than the above-mentioned re-opening and COVID-19 crisis, no events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		(124,759)	126,049
Other financial expenses	2	(50,357)	(67,238)
Profit/loss before tax		(175,116)	58,811
Tax on profit/loss for the year	3	(32,468)	(12,947)
Profit/loss for the year		(207,584)	45,864
Proposed distribution of profit and loss			
Retained earnings		(207,584)	45,864
Proposed distribution of profit and loss		(207,584)	45,864

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Deferred tax		0	32,468
Financial assets	4	0	32,468
Fixed assets		0	32,468
Manufactured goods and goods for resale		487,688	1,100,703
Prepayments for goods		199,113	489,000
Inventories		686,801	1,589,703
Trade receivables		179,789	197,768
Other receivables		0	100,650
Receivables		179,789	298,418
Cash		286,753	171,766
Current assets		1,153,343	2,059,887
Assets		1,153,343	2,092,355

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		50,000	50,000
Retained earnings		(322,739)	(115,155)
Equity		(272,739)	(65,155)
Payables to shareholders and management		0	1,393,828
Non-current liabilities other than provisions		0	1,393,828
Trade payables		28,915	702,439
Payables to shareholders and management		1,142,611	0
Other payables		254,556	61,243
Current liabilities other than provisions		1,426,082	763,682
Liabilities other than provisions		1,426,082	2,157,510
Equity and liabilities		1,153,343	2,092,355
Going concern	1		
Working conditions	5		

Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	(115,155)	(65,155)
Profit/loss for the year	0	(207,584)	(207,584)
Equity end of year	50,000	(322,739)	(272,739)

Notes

1 Going concern

The management has found that the equity is lost per 31 December 2020. The management is working on a plan to re-establish the equity and improve the cash flow. The management expects that it will be possible for the company to pay its liabilities as they become due.

The management has based on cash flow projections presented the financial statements on a going concern basis. The company is not entitled to support from the owners, which causes an uncertainty about the company's capability of continuing operation.

2 Other financial expenses

	2020	2019
	DKK	DKK
Other interest expenses	50,278	47,191
Exchange rate adjustments	79	20,047
	50,357	67,238

3 Tax on profit/loss for the year

	2020	2019
	DKK	DKK
Change in deferred tax	32,468	12,947
	32,468	12,947

4 Financial assets

	Deferred tax
	DKK
Cost beginning of year	32,468
Disposals	(32,468)
Cost end of year	0
Carrying amount end of year	0

5 Working conditions

The average numbers of employees is 0.

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 revenue, changes in inventories of finished goods, other operating income, cost of sales and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

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.

Balance sheet**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.

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.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.