

VividWorks ApS

Herlev Hovedgade 195C

2730 Herlev

CVR No. 39346567

Annual Report 2020

3. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 8 June 2021.

Jani Kristian Ruohola
Chairman

VividWorks ApS

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VividWorks ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of VividWorks ApS for the financial year 1 January 2020 - 31 December 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 assets, liabilities and financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January 2020 - 31 December 2020.

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

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

Finland, 8 June 2021

Executive Board

Jani Kristian Ruohola
Manager

VividWorks ApS

Company details

Company	VividWorks ApS Herlev Hovedgade 195C 2730 Herlev
CVR No.	39346567
Date of formation	15 February 2018
Registered office	Herlev
Executive Board	Jani Kristian Ruohola, Manager

Management's Review

The Company's principal activities

The Company's principal activities consist in develop IT solutions to the furniture industry.

Development in the activities and the financial situation of the Company

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -150.761 and the Balance Sheet at 31 December 2020 a balance sheet total of DKK 171.376 and an equity of DKK 43.967.

Post financial year events

As a result of the growing impact of the coronavirus, and its impact on the global markets, it is resonably possible that the revenue and operating results of the company could be adversely impacted in the near term. It is not possible, at this time to assess the overall impact on the business the pandemic will have but the director considers that the company under the going concern basis.

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

Accounting Policies

Reporting Class

The Annual Report of VividWorks ApS for 2020 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.

Subsequent events

The parent company VividWorks OY has made the resolution to close VividWorks ApS during 2021.

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 principle.

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

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operation income, cost of raw and consumables and other external expenses.

Accounting Policies

Revenue

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

Other external expenses

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

Staff expenses

Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

Amortisation and impairment of tangible and intangible assets

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

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, financial expenses of finance 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

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 7 years. The amortisation period is based on the assessment that the entities in question are strategically acquired entities with a strong market position and a long-term earnings profile.

Tangible assets

Items of fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

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

Accounting Policies

Tools and equipment: 3-5 years

Assets costing less than DKK 13.500 are expensed in the year of acquisition.

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.

Deposits

Deposits are measured at cost.

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.

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

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the Company has a legal or actual obligation as a result of a past event, and it is likely that settlement will result in the company spending financial resources.

Provisions that measured at value in use.

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

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.

Accounting Policies

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 payable, are measured at amortised cost, which usually corresponds to the nominal value.

Other payables

Other payables are measured at amortised cost, which usually corresponds to the nominal value

Accruals and deferred income entered as liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities

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

Income Statement

	Note	2020 kr.	2019 kr.
Gross profit		2.873.475	4.155.738
Employee benefits expense	1	-1.774.974	-3.513.926
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-1.247.256	-394.614
Profit from ordinary operating activities		-148.755	247.198
Other finance income		3.035	3.225
Finance expences		-7.346	-12.623
Profit from ordinary activities before tax		-153.066	237.800
Tax expense on ordinary activities	2	-2.305	98.291
Profit		-150.761	139.509
Proposed distribution of results			
Retained earnings		-150.761	139.509
Distribution of profit		-150.761	139.509

Balance Sheet as of 31 December

	Note	2020 kr.	2019 kr.
Assets			
Goodwill	3	0	1.191.515
Intangible assets		0	1.191.515
Fixtures, fittings, tools and equipment	4	0	55.741
Property, plant and equipment		0	55.741
Deposits		0	67.414
Investments		0	67.414
Fixed assets		0	1.314.670
Short-term trade receivables		0	1.188.205
Short-term tax receivables		0	100
Other short-term receivables		6.430	0
Prepayments		0	15.780
Receivables		6.430	1.204.085
Cash and cash equivalents		164.946	106.229
Current assets		171.376	1.310.314
Assets		171.376	2.624.984

Balance Sheet as of 31 December

	Note	2020 kr.	2019 kr.
Liabilities and equity			
Contributed capital		50.000	50.000
Retained earnings		-6.033	144.730
Equity		43.967	194.730
Provisions for deferred tax		20.279	0
Provisions		20.279	0
Other payables		0	101.827
Long-term liabilities other than provisions		0	101.827
Prepayments received from customers		0	176.477
Trade payables		24.979	51.678
Payables to group enterprises		0	1.669.103
Tax payables		0	96.944
Other payables		82.151	137.405
		0	168.340
Deferred income, liabilities		0	28.480
Short-term liabilities other than provisions		107.130	2.328.427
Liabilities other than provisions within the business		107.130	2.430.254
Liabilities and equity		171.376	2.624.984
Contingent liabilities	5		

Notes

	2020	2019
1. Employee benefits expense		
Wages and salaries	1.734.934	3.214.406
Post-employment benefit expense	68.746	254.877
Social security contributions	7.668	46.181
Other employee expense	-36.374	-1.538
	1.774.974	3.513.926
Average number of employees	2	5
2. Tax expense		
Company tax	0	76.665
Tax at source	0	21.626
	0	98.291
3. Goodwill		
Cost at the beginning of the year	1.787.272	1.787.272
Disposal during the year	-1.787.272	0
Cost at the end of the year	0	1.787.272
Depreciation and amortisation at the beginning of the year	-595.757	-595.757
Reversal of impairment losses and amortisation of disposed assets	595.757	0
Impairment losses and amortisation at the end of the year	0	-595.757
Carrying amount at the end of the year	0	1.191.515
4. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	111.482	111.482
Disposal during the year	-111.482	0
Cost at the end of the year	0	111.482
Depreciation and amortisation at the beginning of the year	-55.740	-55.741
Reversal of impairment losses and amortisation of disposed assets	55.740	0
Impairment losses and amortisation at the end of the year	0	-55.741
Carrying amount at the end of the year	0	55.741
5. Contingent liabilities		
No contingent liabilities exist at the balance sheet date.		