

# **VividWorks ApS**

Center Boulevard 5

2300 København S

CVR No. 39346567

## **Annual Report 2019**

2. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 1 July 2020

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Sakari Suhonen  
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 2019 - 31 December 2019.

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 2019 and of the results of the Company's operations for the financial year 1 January 2019 - 31 December 2019.

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, 1 July 2020

### **Executive Board**

Sakari Osslan Suhonen  
Manager

**VividWorks ApS**

**Company details**

<b>Company</b>	VividWorks ApS Center Boulevard 5 2300 København S
CVR No.	39346567
Date of formation	15 February 2018
<b>Executive Board</b>	Sakari Osslan Suhonen, 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 activities and financial matters**

The Company's Income Statement of the financial year 1 January 2019 - 31 December 2019 shows a result of DKK 139.509 and the Balance Sheet at 31 December 2019 a balance sheet total of DKK 2.624.984 and an equity of DKK 194.730.

### **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 2019 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.

### Reporting currency

The Annual Report is presented in Danish kroner.

## General Information

### Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also 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 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/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.

### 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.

## Accounting Policies

### 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, finance charges in respect 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:

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.

### 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.

## Accounting Policies

### 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.

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.

### 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	2019 kr.	2018 kr.
<b>Gross profit</b>		<b>4.155.738</b>	<b>2.524.484</b>
Employee benefits expense	1	-3.513.926	-2.247.368
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-394.614	-256.884
<b>Profit from ordinary operating activities</b>		<b>247.198</b>	<b>20.232</b>
Other finance income	2	3.225	3.663
Finance expences	3	-12.623	-20.021
<b>Profit from ordinary activities before tax</b>		<b>237.800</b>	<b>3.874</b>
Tax expense on ordinary activities	4	-98.291	1.347
<b>Profit</b>		<b>139.509</b>	<b>5.221</b>
<b>Proposed distribution of results</b>			
Retained earnings		139.509	5.221
<b>Distribution of profit</b>		<b>139.509</b>	<b>5.221</b>

## Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
<b>Assets</b>			
Goodwill	5	1.191.515	1.548.969
<b>Intangible assets</b>		<b>1.191.515</b>	<b>1.548.969</b>
Fixtures, fittings, tools and equipment	6	55.741	92.902
<b>Property, plant and equipment</b>		<b>55.741</b>	<b>92.902</b>
Deposits		67.414	67.414
<b>Investments</b>		<b>67.414</b>	<b>67.414</b>
<b>Fixed assets</b>		<b>1.314.670</b>	<b>1.709.285</b>
Short-term trade receivables		1.188.205	1.496.569
Current deferred tax		0	1.347
Short-term tax receivables		100	0
Prepayments		15.780	14.510
<b>Receivables</b>		<b>1.204.085</b>	<b>1.512.426</b>
<b>Cash and cash equivalents</b>		<b>106.229</b>	<b>311.978</b>
<b>Current assets</b>		<b>1.310.314</b>	<b>1.824.404</b>
<b>Assets</b>		<b>2.624.984</b>	<b>3.533.689</b>

## Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
<b>Liabilities and equity</b>			
Contributed capital		50.000	50.000
Retained earnings	7	144.730	5.221
<b>Equity</b>		<b>194.730</b>	<b>55.221</b>
Other payables		101.827	0
<b>Long-term liabilities other than provisions</b>		<b>101.827</b>	<b>0</b>
Prepayments received from customers		176.477	0
Trade payables		51.678	20.794
Payables to group enterprises		1.669.103	2.542.574
Tax payables		96.944	0
Other payables		305.745	850.584
Deferred income, liabilities		28.480	64.516
<b>Short-term liabilities other than provisions</b>		<b>2.328.427</b>	<b>3.478.468</b>
<b>Liabilities other than provisions within the business</b>		<b>2.430.254</b>	<b>3.478.468</b>
<b>Liabilities and equity</b>		<b>2.624.984</b>	<b>3.533.689</b>
Contingent liabilities	8		

## Notes

	2019	2018
<b>1. Employee benefits expense</b>		
Wages and salaries	3.214.406	2.065.503
Post-employment benefit expense	254.877	159.228
Social security contributions	46.181	13.348
Other employee expense	-1.538	9.289
	<b>3.513.926</b>	<b>2.247.368</b>
Average number of employees	5	4
<b>2. Finance income</b>		
Other finance income	3.225	3.663
	<b>3.225</b>	<b>3.663</b>
<b>3. Finance expenses</b>		
Other finance expenses	12.623	20.021
	<b>12.623</b>	<b>20.021</b>
<b>4. Tax expense</b>		
Company tax	76.665	0
Tax at source	21.626	-1.347
	<b>98.291</b>	<b>-1.347</b>
<b>5. Goodwill</b>		
Cost at the beginning of the year	1.787.272	0
Addition during the year, incl. improvements	0	1.787.272
<b>Cost at the end of the year</b>	<b>1.787.272</b>	<b>1.787.272</b>
Depreciation and amortisation at the beginning of the year	-238.303	-238.303
Amortisation for the year	-357.454	0
<b>Impairment losses and amortisation at the end of the year</b>	<b>-595.757</b>	<b>-238.303</b>
<b>Carrying amount at the end of the year</b>	<b>1.191.515</b>	<b>1.548.969</b>
<b>6. Fixtures, fittings, tools and equipment</b>		
Cost at the beginning of the year	111.482	0
Addition during the year, incl. improvements	0	111.482
<b>Cost at the end of the year</b>	<b>111.482</b>	<b>111.482</b>
Depreciation and amortisation at the beginning of the year	-18.580	-18.580
Amortisation for the year	-37.161	0
<b>Impairment losses and amortisation at the end of the year</b>	<b>-55.741</b>	<b>-18.580</b>
<b>Carrying amount at the end of the year</b>	<b>55.741</b>	<b>92.902</b>

**Notes**

	<b>2019</b>	<b>2018</b>
<b>7. Retained earnings</b>		
Balance at the beginning of the year	5.221	0
Additions during the year	139.509	5.221
<b>Balance at the end of the year</b>	<b>144.730</b>	<b>5.221</b>

**8. Contingent liabilities**

No contingent liabilities exist at the balance sheet date.