

KA Furniture ApS

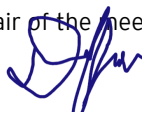
Odinsvej 5, 7200 Grindsted

CVR no. 39 65 24 20

Annual report 2020

Approved at the Company's annual general meeting on 20 April 2021

Chair of the meeting:



.....
Elmar Edwin Duffner

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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of KA Furniture ApS for the financial year 1 January - 31 December 2020.

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 financial position of the Company 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.

Grindsted, 20 April 2021
Executive Board:



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Elmar Edwin Duffner

Independent auditor's report

To the shareholders of KA Furniture ApS

Opinion

We have audited the financial statements of KA Furniture ApS for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company 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 rules and requirements.

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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Haderslev, 20 April 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Lars Mortensen
State Authorised Public Accountant
mne32743

Management's review

Company details

Name	KA Furniture ApS
Address, Postal code, City	Odinsvej 5, 7200 Grindsted
CVR no.	39 65 24 20
Established	18 June 2018
Registered office	Grindsted
Financial year	1 January - 31 December
Executive Board	Elmar Edwin Duffner
Auditors	EY Godkendt Revisionspartnerselskab Norgesvej 24 B, 6100 Haderslev, Denmark

Management's review

Business review

The Company's activity comprises investments in associates.

Financial review

The income statement for 2020 shows a profit of DKK 2,564,152 against a loss of DKK 260,704 last year, and the balance sheet at 31 December 2020 shows equity of DKK 1,028,605.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	<u>2020</u>	<u>2019</u>
	Gross loss	-213,617	-177,393
	Income from investments in group enterprises	5,528,385	2,898,517
	Financial income	468,453	0
3	Financial expenses	<u>-4,055,148</u>	<u>-3,872,599</u>
	Profit/loss before tax	1,728,073	-1,151,475
4	Tax for the year	<u>836,079</u>	<u>890,771</u>
	Profit/loss for the year	<u>2,564,152</u>	<u>-260,704</u>
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>2,564,152</u>	<u>-260,704</u>
		<u>2,564,152</u>	<u>-260,704</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2020</u>	<u>2019</u>
	ASSETS		
	Fixed assets		
5	Investments		
	Investments in group enterprises	<u>118,862,024</u>	<u>113,347,917</u>
		<u>118,862,024</u>	<u>113,347,917</u>
	Total fixed assets	<u>118,862,024</u>	<u>113,347,917</u>
	Non-fixed assets		
	Joint taxation contribution receivable	<u>3,185,085</u>	<u>2,752,829</u>
		<u>3,185,085</u>	<u>2,752,829</u>
	Cash	<u>31,448</u>	<u>49,768</u>
	Total non-fixed assets	<u>3,216,533</u>	<u>2,802,597</u>
	TOTAL ASSETS	<u><u>122,078,557</u></u>	<u><u>116,150,514</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2020</u>	<u>2019</u>
	EQUITY AND LIABILITIES		
	Equity		
6	Share capital	50,000	50,000
	Retained earnings	978,605	-1,571,269
	Total equity	<u>1,028,605</u>	<u>-1,521,269</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group enterprises	118,694,721	115,761,725
	Corporation tax payable	2,330,856	1,862,058
	Other payables	24,375	48,000
		<u>121,049,952</u>	<u>117,671,783</u>
		<u>121,049,952</u>	<u>117,671,783</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>122,078,557</u></u>	<u><u>116,150,514</u></u>

1 Accounting policies

2 Staff costs

7 Collateral

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2020	50,000	-1,571,269	-1,521,269
Transfer through appropriation of profit	0	2,564,152	2,564,152
Other value adjustments of equity	0	-14,278	-14,278
Equity at 31 December 2020	<u>50,000</u>	<u>978,605</u>	<u>1,028,605</u>

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of KA Furniture ApS for 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Vivonio Holding GmbH.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross loss

The items revenue and external expenses have been aggregated into one item in the income statement called gross loss in accordance with section 32 of the Danish Financial Statements Act.

Profit from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

The item includes dividend received from subsidiaries.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Investments in subsidiaries

Equity investments in subsidiaries and associates are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected 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

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Staff costs

The Company has no employees.

DKK	2020	2019
3 Financial expenses		
Interest expenses, group entities	3,967,462	3,831,164
Other financial expenses	87,686	41,435
	<u>4,055,148</u>	<u>3,872,599</u>
4 Tax for the year		
Estimated tax charge for the year	-836,079	-890,771
	<u>-836,079</u>	<u>-890,771</u>

5 Investments

DKK	Investments in group enterprises
Cost at 1 January 2020	109,851,348
Cost at 31 December 2020	<u>109,851,348</u>
Value adjustments at 1 January 2020	3,496,569
Foreign exchange adjustments	-14,278
Profit for the year	12,655,206
Value adjustments for the year	-7,126,821
Value adjustments at 31 December 2020	<u>9,010,676</u>
Carrying amount at 31 December 2020	<u>118,862,024</u>

Name	Interest	Equity DKK	Profit/loss DKK
Subsidiaries			
KA Interiør A/S	100.00%	29,761,118	12,655,206

Financial statements 1 January - 31 December

Notes to the financial statements

6 Share capital

The Company's share capital has remained DKK 50,000 in the past year.

7 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2020.

Verifikation

Transaktion 09222115557445106877

Dokument

Annual report 2020 - KA Furniture ApS

Hoveddokument

16 sider

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Færdiggjort 2021-04-22 13:42:24 CEST (+0200)

Initiativtager

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