

Hobby Creative Group Copenhagen ApS

Landgreven 3, st. th.

1301 København K

CVR No. 39878585

Annual Report 2018/19

1. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 25 September 2019

Thomas Arthur Rickard
Chairman

Hobby Creative Group Copenhagen ApS

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Management's Statement

Today, Management has considered and adopted the Annual Report of Hobby Creative Group Copenhagen ApS for the financial year 18 September 2018 - 30 April 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 30 April 2019 and of the results of the Company's operations for the financial year 18 September 2018 - 30 April 2019.

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

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

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

Copenhagen, 25 September 2019

Executive Board

Thomas Arthur Rickard
Manager

Hobby Creative Group Copenhagen ApS

Company details

Company	Hobby Creative Group Copenhagen ApS Landgreven 3, st. th. 1301 København K
CVR No.	39878585
Date of formation	18 September 2018
Executive Board	Thomas Arthur Rickard, Manager

Management's Review

The Company's principal activities

The Company's principal activities consist in advertising-, movie- and television-production.

Development in activities and financial matters

The Company's Income Statement of the financial year 18 September 2018 - 30 April 2019 shows a result of DKK 222.432 and the Balance Sheet at 30 April 2019 a balance sheet total of DKK 3.825.506 and an equity of DKK 272.432.

Expectations for the future

The Company expects its operations to develop positively next year.

Accounting Policies

Reporting Class

The Annual Report of Hobby Creative Group Copenhagen ApS for 2018/19 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

As the financial year 2018/19 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency

The Annual Report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

General Information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost princip.

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.

Accounting Policies

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.

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 exclusive of 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.

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

Investments

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.

Impairment of accounts receivables past due is established on individual assessment of receivables.

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

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

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities, comprising deposits, trade payables and other accounts 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

Contingent assets and liabilities

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

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Income Statement

	Note	2018/19 kr.
Gross profit		287.410
Profit from ordinary operating activities		<u>287.410</u>
Finance expences	1	<u>-276</u>
Profit from ordinary activities before tax		<u>287.134</u>
Tax expense on ordinary activities		<u>-64.702</u>
Profit		<u>222.432</u>
 Proposed distribution of results		
Retained earnings		<u>222.432</u>
Distribution of profit		<u>222.432</u>

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Balance Sheet as of 30 April

	Note	2019 kr.
Assets		
Deposits, investments		10.500
Investments		<u>10.500</u>
Fixed assets		<u>10.500</u>
Short-term trade receivables		699.619
Other short-term receivables		636.944
Receivables		<u>1.336.563</u>
Cash and cash equivalents		<u>2.478.443</u>
Current assets		<u>3.815.006</u>
Assets		<u>3.825.506</u>

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Balance Sheet as of 30 April

	Note	2019 kr.
Liabilities and equity		
Contributed capital		50.000
Retained earnings	2	222.432
Equity		272.432
Payables to group enterprises		2.183.901
Tax payables		64.702
Long-term liabilities other than provisions	3	2.248.603
Prepayments received for work in progress		294.428
Trade payables		615.580
Other payables		394.463
Short-term liabilities other than provisions		1.304.471
Liabilities other than provisions within the business		3.553.074
Liabilities and equity		3.825.506
Contingent liabilities	4	
Collaterals and assets pledges as security	5	

Notes

2018/19

1. Finance expenses

Other finance expenses

276

276

2. Retained earnings

Additions during the year

222.432

Balance at the end of the year

222.432

3. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Payables to group enterprises	2.183.901	0	0
Tax payables	64.702	0	0
	<u>2.248.603</u>	<u>0</u>	<u>0</u>

4. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

5. Collaterals and securities

No securities or mortgages exist at the balance sheet date.