DayDose ApS

Vesterbrogade 149, 1620 København V

CVR no. 39 89 90 43

Annual Report 2019

Approved at the company's annual general meeting on 31 August 2020
Chairman of the meeting:

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Chairman of the annual general meeting

Content

Statement by Management on the annual report

Today, the Management has approved the Annual Report of DayDose ApS for the financial year 1 January – 31 December 2019.

The annual report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January – 31 December 2019.

I recommend that the Annual Report be approved at the Annual General Meeting.

Copenhagen, 31 August 2020
Management:

…………………………………………
Flemming Wagner
CEO

Independent auditor's report

To the shareholder of DayDose ApS

Opinion

We have audited the financial statements of DayDose ApS for the financial year 1 January – 31 December 2019, which comprise the 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 company's financial position at 31 December 2019 and of the results of its operations for the financial year 1 January – 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's 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 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, for disclosing, as applicable, matters related to going concern, and for 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 about 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 these financial statements.

Independent auditor's report

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:

- 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 content of the financial statements, including the disclosures in the notes, 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.

Copenhagen, 31 August 2020
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Peter Gath State Authorised Public Accountant mne19718	Ole Becker State Authorised Public Accountant mne33732

Company information

Name	DayDose ApS
Address	Vesterbrogade 149 1620 København V
CVR-no.	39 89 90 43
Founded	27 September 2018
Registered municipality	Copenhagen, Denmark
Financial year	1 January – 31 December
Homepage	www.daydose.com
E-mail	info@daydose.com
Telephone	+45 73 70 90 09
Management	Flemming Wagner, CEO
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, 2000 Frederiksberg

Management's review

Business review
The company's main activities is marketing and sale of food supplements.

Financial review
The income statement for 2019 shows a loss of DKK 11,677 thousand against a loss of DKK 1,678 thousand. last year, and the balance sheet at 31 December 2019 shows equity of DKK 4,981 thousand.

The loss for the year is not satisfactory.

The parent company Wagner Family Holding ApS has in 2019 given debtforgiveness of DKK 17,836 thousand to reestablish the equity. The parent company Wagner Family Holding ApS has provided support letter to ensure the company can repay debts when they fall due in 2020, though limited to an amount of DKK 7 million.

Special risks
The company is not affected by any significant risks beyond those that are normal for the industry.

Events after the balance sheet date
No events materially affecting the Company's financial position have occurred subsequent to the financial year-end. The global outbreak of coronavirus has had a limited impact on the company in 2020.

Financial statements 1 January – 31 December

Income statement

Note	DKK'000	2019	3 months 2018
	Gross loss	**-5.476**	**-1.157**
2	Staff costs	2.756	54
	Amortisations and depreciations	6.034	790
	Loss before net financials	**-14.266**	**-2.000**
3	Finance income	10	0
3	Finance expenses	709	151
	Loss before tax	**-14.965**	**-2.151**
4	Tax	3.288	473
	Loss for the period	**-11.677**	**-1.678**
	Distribution of loss for the period		
	Proposed distribution of loss for the period		
	Retained earnings	**-11.677**	**-1.678**
		-11.677	**-1.678**

Financial statements 1 January – 31 December

Balance sheet

Note	DKK'000	2019	2018
	ASSETS		
	Non-current assets		
	Intangible assets		
	Rights and patents	1.157	6.713
	Total intangible assets	1.157	6.713
	Tangible assets		
	IT equipment	232	80
	Total tangible assets	232	80
	Deferred tax asset	**1.085**	**0**
	Total non-current assets	**2.474**	**6.793**
	Current assets		
	Inventories		
	Finished goods	716	1.455
	Total inventories	**716**	**1.455**
	Receivables		
	Trade receivables	85	91
	Other receivables	318	407
	Corporation tax receivable	2.169	507
	Prepayments	7	12
	Total receivables	**2.579**	**1.017**
	Cash	**1.166**	**0**
	Total current assets	**4.461**	**2.472**
	TOTAL ASSETS	**6.935**	**9.265**
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	250	250
	Retained earnings	4.731	-1.428
	Total equity	**4.981**	**-1.178**
	Non-current liabilities		
5	Borrowings from group enterprises	0	9.796
	Deferred tax	0	34
	Total non-current liabilities	**0**	**9.830**
	Current liabilities		
	Trade payables	1.276	509
	Payables to group enterprises	326	0
	Debt to credit institutions	0	30
	Other payables	352	65
	Total current liabilities	**1.954**	**613**
	Total liabilities	**1.954**	**10.442**
	TOTAL EQUITY AND LIABILITIES	**6.935**	**9.265**

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000

	Share capital	Retained earnings	Total
Equity 1 January 2019	**250**	**-1.428**	**-1.178**
Loss for the year	-	-11.677	-11.677
Debt forgiveness from the parent company	-	17.836	17.836
Equity 31 December 2019	**250**	**4.731**	**4.981**

Notes to the Financial Statements

Overview of notes for the company

Notes to the Financial Statements

1 Liquidity

The parent company Wagner Family Holding ApS has in 2019 given debtforgiveness of DKK 17,836 thousand to reestablish the equity. The parent company Wagner Family Holding ApS has provided support letter to ensure the company can repay debt when they fall due in 2020, though limited to an amount of DKK 7 million.

2 Staff costs

DKK'000	2019	3 months 2018
Staff costs		
Wages and salaries	2.572	53
Other social securities costs	32	1
Total staff costs	**2.605**	**54**

The average number of full-time employee was 5 (2018: 1 employee).

3 Net finance costs

DKK'000	2019	3 months 2018
Finance income		
Other financial income	10	0
Total finance expenses	**10**	**151**
Finance expenses		
Other financial costs	21	16
Interests on intercompany loan	688	134
Total finance expenses	**709**	**151**

4 Tax on loss for the year

DKK'000	2019	3 months 2018
Current income tax		
Current income tax charge	-2.169	-507
Deferred tax		
Relating to origination and reversal of temporary difference	-1.119	34
Income tax income reporting in the income statement	**-3.288**	**-473**

5 Borrowings from group enterprises

Debt forgivenness has been given from the parent company Wagner Family Holding ApS at 31 December 2019 of DKK 17,836 thousand.

Notes to the Financial Statements

6 Contingent liabilities and other financial obligations

Joint taxation

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc. of the Group. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the company's liability.

Other financial obligations

The company has rent and lease liabilities of DKK 29 thousand relating to the lease of office premises.

7 Accounting policies

The Financial statements of DayDose ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual requirements for class C.

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

Consolidated financial statements

The company is included in the group annual report of the ultimate owner, FTW Holding ApS (cvr. 39 87 33 89), Copenhagen, Denmark.

Basis of preparation

The financial statements have been prepared on a historical cost basis.

Translation policies

DKK is the presentation currency. All other currencies are regarded as foreign currencies. Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Income Statement

Revenue

Income from the sale of food supplements is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably and is expected to be received.

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT and other indirect taxes charged on behalf of third parties.

Gross Loss

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sales', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross loss'.

Notes to the Financial Statements

7 Accounting policies (continued)

Cost of sales
Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses
Other external expenses include the year's expenses relating to the company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs
Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the company's employees.

Amortisations and depreciations
Amortisation and depreciation relating to intangible assets comprise amortisation and depreciation for the financial year, calculated on the basis of the useful lives of the individual assets.

Financial expenses
Financial expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year
Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.
The company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets
Rights and patents
Rights and patents comprises costs for the acqusition of the DayDose brand and well as the related patents with deduction of accumulated amortisation. The period of amortisation is 3-5 years.

Tangible assets
IT equipment
IT equipment is measured at cost less accumulated depreciation and impairment losses. 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 provided on a straight-line basis over the expected useful lives of the assets, which are 2 years.

Impairment of non-current assets
The carrying amount of rights, patents and IT equipment are assessed for impairment on an annual basis. Impairment tests are conducted on assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount). The value in use is calculated as the present value of the expected net cash flows from the use of the asset.

Notes to the Financial Statements

7 Accounting policies (continued)

Inventories
Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are writ-ten down to this lower value.
The cost of goods for resale, as well as materials and consumables, comprises the cost of acquisition plus delivery costs and, for finished goods, indirect production overheads, including packaging material and expenses in the form of external storage charges, are added.
The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables
Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments
Prepayments recognised under Current assets comprise expenses incurred concerning subsequent financial years.

Taxation
Current income tax and deferred tax
Current tax payable and receivable is recognised in the balance sheet as tax computed on the expected taxable income for the year, adjusted for tax on the taxable income of prior years and for prepaid tax.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

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.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Corporation tax receivable" or as "Corporation tax payable".

Financial debts
Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other liabilities are measured at amortised cost, substantially corresponding to nominal value.

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Flemming Wagner
Direktion
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2020-09-01 08:44:06Z
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Peter Gath
Statsautoriseret revisor
På vegne af: EY Godkendt Revisionspartnerselskab
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IP: 176.20.xxx.xxx
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Lene Bech McCormick
Dirigent
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