

Lapee International ApS

Guldbergsgade 25, kl. tv
2200 København N
Denmark

CVR no. 39 92 88 09

Annual report 2021

The annual report was presented and approved at
the Company's annual general meeting on

13 July 2022

Alexander Højland Egebjerg
Chairman of the annual general meeting

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Operating review	6
Financial statements 1 January – 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11

Lapee International ApS
Annual report 2021
CVR no. 39 92 88 09

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Lapee International ApS for the financial year 1 January – 31 December 2021.

The annual report has been 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 assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 13 July 2022
Executive Board:

Gina Terry Carolina Périer
CEO

Alexander Højland Egebjerg

Board of Directors:

Søren Bøgesgaard Niebuhr
Chairman

Lasse Sørensen

Alexander Højland Egebjerg

Independent auditor's report

To the shareholders of Lapee International ApS

Opinion

We have audited the financial statements of Lapee International ApS for the financial year 1 January – 31 December 2021 comprising 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 assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these 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

- identify and assess the risks of material misstatement of the company 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.

Independent auditor's report

- 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 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 13 July 2022

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

Lapee International ApS
Annual report 2021
CVR no. 39 92 88 09

Management's review

Company details

Lapee International ApS
Guldbergsgade 25, kl. tv
2200 København N

CVR no.:	39 92 88 09
Established:	4 October 2018
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Søren Bøgesgaard Niebuhr, Chairman
Lasse Sørensen
Alexander Højland Egebjerg

Executive Board

Gina Terry Carolina Périer, CEO
Alexander Højland Egebjerg

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

Lapee is a female urinal production company with partner network covering more than 20 counties, and award winner of several design and impact prizes. Lapee is an innovation driven company focusing on changing and improving sanitation. This includes the still growing sanitation challenge in third world countries and Lapee have been funded by the Danish Innovation fond for their important work in this matter.

Development in activities and financial position

The Company's income statement for 2021 shows a profit of DKK 30,418 as against DKK 172,995 in 2020. Equity in the Company's balance sheet at 31 December 2021 stood at DKK 181,196 as against DKK 150,778 at 31 December 2020.

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2021.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2021	2020
Gross profit		82,912	231,319
Other financial expenses		<u>-43,936</u>	<u>-3,811</u>
Profit before tax		38,976	227,508
Tax on profit for the year	3	<u>-8,558</u>	<u>-54,513</u>
Profit for the year		<u>30,418</u>	<u>172,995</u>
Proposed profit appropriation			
Retained earnings		<u>30,418</u>	<u>172,995</u>
		<u>30,418</u>	<u>172,995</u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	<u>31/12 2021</u>	<u>31/12 2020</u>
ASSETS			
Current assets			
Inventories			
Raw materials and consumables		<u>324,024</u>	<u>324,024</u>
Receivables			
Trade receivables		9,206	35,137
Receivables from group entities		211,531	0
Other receivables		<u>8,191</u>	<u>41,665</u>
		<u>228,928</u>	<u>76,802</u>
Cash at bank and in hand		<u>132,155</u>	<u>225,318</u>
Total current assets		<u>685,107</u>	<u>626,144</u>
TOTAL ASSETS		<u><u>685,107</u></u>	<u><u>626,144</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2021	31/12 2020
EQUITY AND LIABILITIES			
Equity			
Contributed capital		50,000	50,000
Retained earnings		131,196	100,778
Total equity		<u>181,196</u>	<u>150,778</u>
Liabilities			
Current liabilities			
Banks, current liabilities		410,520	0
Trade payables		9,833	204,210
Payables to group entities		0	196,156
Corporation tax		8,558	0
Payables to shareholders and Management		75,000	75,000
		<u>503,911</u>	<u>475,366</u>
Total liabilities		<u>503,911</u>	<u>475,366</u>
TOTAL EQUITY AND LIABILITIES		<u><u>685,107</u></u>	<u><u>626,144</u></u>
Average number of full-time employees	2		
Contractual obligations, contingencies, etc.	4		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2021	50,000	100,778	150,778
Transferred over the profit appropriation	0	30,418	30,418
Equity at 31 December 2021	50,000	131,196	181,196

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Lapee International ApS for 2021 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, etc.

Financial expenses

Financial expenses comprise interest expense, financial costs regarding gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

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 at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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 at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Other liabilities are measured at amortised cost.

Financial statements 1 January – 31 December

Notes

DKK	<u>2021</u>	<u>2020</u>
2 Average number of full-time employees		
Average number of full-time employees	<u>0</u>	<u>0</u>
3 Tax on profit for the year		
Current tax for the year	8,558	34,144
Deferred tax for the year	0	15,888
Adjustment of deferred tax concerning previous years	<u>0</u>	<u>4,481</u>
	<u>8,558</u>	<u>54,513</u>
4 Contractual obligations, contingencies, etc.		

Contingent liabilities

The Company is in joint taxation with the Group's Danish subsidiaries, and are therefore liable and solidary for additional companies in the national joint taxation. Any corrections that may occur of the joint taxation will lead to the Company's liable and solidary joint taxation to account to a different amount.