

Calyah ApS

Bredgade 30

1260 København K

CVR No. 40506373

Annual Report 2019

8. May 2019 - 31. December 2019

1. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 18 September 2020

Nigel Charles Majakari
Chairman

Calyah ApS

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Management's Statement

Today, Management has considered and adopted the Annual Report of Calyah ApS for the financial year 8 May 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 8 May 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.

Schwiez, 18 September 2020

Executive Board

Nigel Charles Majakari
Man. Director

Calyah ApS

Company details

Company	Calyah ApS Bredgade 30 1260 København K
CVR No.	40506373
Date of formation	8 May 2019
Accounting period	8. May 2019 - 31. December 2019
Financial year	1st Financial year
Executive Board	Nigel Charles Majakari, Man. Director

Management's Review

The Company's principal activities

The Company's principal activities consist in manufacture and market designer furniture and related products for private, workplace and public areas.

Development in activities and financial matters

The Company's Income Statement of the financial year 8 May 2019 - 31 December 2019 shows a result of DKK -971.999 and the Balance Sheet at 31 December 2019 a balance sheet total of DKK 746.934 and an equity of DKK -921.999.

Post financial year events

During our first year of business operations the focus of the company was to establish design partnerships and begin developing the first furniture collection. Our plan was executed as we had planned and showing very encouraging signs for launching our first collection moving into 2020. In addition, we created the opportunity to add a second collection to the design portfolio. With the onset of Covid-19 our planned launched Copenhagen 3 days of design in May 2020 was cancelled and all production and product development work with supply-chain partners came to an immediate halt. This has had a devastating impact on our ability to go to the market and also develop new collections to expand our design portfolio. The financial impact has been devastating and as a start-up company severely impacted our ability to raise new financing. In spite of the extra-ordinary difficulties, we have taken emergency action to help the company survive for the time being and stayed close to existing partners, as well as working to diversify our supply-chain partnerships where possible. Learning from these shocks and surviving the worst of the difficulties will make the company stronger, more resilient, and better equipped to manage uncertainty going forward.

Accounting Policies

Reporting Class

The Annual Report of Calyah ApS for 2019 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 2019 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.

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.

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, 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 byer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is

Accounting Policies

recognised exclusive of VAT and net of sales discounts.

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration 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.

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

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.

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

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

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.

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.

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	2019 kr.
Gross profit		-965.453
Employee benefits expense		-9.429
Profit from ordinary operating activities		-974.882
Other finance income		9.444
Finance expences		-6.561
Profit from ordinary activities before tax		-971.999
Tax expense on ordinary activities		0
Profit		-971.999
Proposed distribution of results		
Retained earnings		-971.999
Distribution of profit		-971.999

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Balance Sheet as of 31 December

	Note	2019 kr.
Assets		
Short-term receivables from associates		327.119
Other short-term receivables		76.261
Short-term receivables from owners and management	1	50.000
Receivables		453.380
Cash and cash equivalents		293.554
Current assets		746.934
Assets		746.934

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Balance Sheet as of 31 December

	Note	2019 kr.
Liabilities and equity		
Contributed capital		50.000
Retained earnings		-971.999
Equity		-921.999
Trade payables		67.037
Payables to associates		1.601.896
Short-term liabilities other than provisions		1.668.933
Liabilities other than provisions within the business		1.668.933
Liabilities and equity		746.934
Contingent liabilities	2	

Notes

2019

1. Receivables from owners and management

Management: DKK 50.000.

No agreement has been made regarding the interest rate, but the amount will be paid back in 2020.

2. Contingent liabilities

No contingent liabilities exist at the balance sheet date.