



Reform Projects ApS

Otto Busses Vej 5
2450 København SV
CVR No. 40513825

Annual report 2020

The Annual General Meeting adopted the
annual report on 02.07.2021

Michael Andersen

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
The independent auditor's compilation report	4
Management commentary	5
Income statement for 2020	6
Balance sheet at 31.12.2020	7
Statement of changes in equity for 2020	9
Notes	10
Accounting policies	12

Entity details

Entity

Reform Projects ApS

Otto Busses Vej 5

2450 København SV

CVR No.: 40513825

Registered office: Copenhagen

Financial year: 01.01.2020 - 31.12.2020

Executive Board

Michael Andersen, CEO

Jeppe Christensen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Executive Board have today considered and approved the annual report of Reform Projects ApS for the financial year 01.01.2020 - 31.12.2020.

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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We consider the preconditions for not auditing the financial statements for the financial year 01.01.2020 - 31.12.2020 as complied with.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 02.07.2021

Executive Board

Michael Andersen
CEO

Jeppe Christensen
CEO

The independent auditor's compilation report

To Management of Reform Projects ApS

We have compiled the financial statements of Reform Projects ApS for the financial year 01.01.2020 - 31.12.2020 based on the Entity's bookkeeping records and other information Management has provided.

These financial statements comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct for professional accountants, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile the financial statements are Management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion about whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 02.07.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Claus Jorch Andersen

State Authorised Public Accountant
Identification No (MNE) mne33712

Management commentary

Primary activities

Reform Projects ApS' activities consist of import and sale of kitchens and other related activities for project and B2B sales.

Description of material changes in activities and finances

In 2020, the company started mounting and delivering kitchens and related furniture to a big project that was won in 2019, which has impacted the performance positively compared to prior year.

Various smaller projects were won in 2020 ensuring a solid pipeline for 2021 and 2022, combined with the projects won in 2019.

Focus for 2021 will be to further strengthen the projects pipeline, increase sales while delivering and mounting kitchens on exciting projects.

Profit/loss for the year in relation to expected developments

Reform Projects ApS' net result for the year amounts to 122,574 DKK, which is in line with management's expectations. The company has regained part of its share capital. The share capital is expected to be reestablished by future profits.

Events after the balance sheet date

No material events have occurred after the balance sheet date.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		924,020	(555,269)
Staff costs	1	(662,815)	0
Depreciation, amortisation and impairment losses	2	(12,155)	0
Operating profit/loss		249,050	(555,269)
Other financial expenses		(86,170)	0
Profit/loss before tax		162,880	(555,269)
Tax on profit/loss for the year	3	(40,306)	18,941
Profit/loss for the year		122,574	(536,328)
Proposed distribution of profit and loss			
Retained earnings		122,574	(536,328)
Proposed distribution of profit and loss		122,574	(536,328)

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Other fixtures and fittings, tools and equipment		182,327	0
Property, plant and equipment	4	182,327	0
Deposits		29,500	0
Other receivables		0	37,711
Financial assets		29,500	37,711
Long-term assets		211,827	37,711
Trade receivables		2,888,881	0
Contract work in progress		334,092	0
Receivables from group enterprises		80,394	0
Other receivables		9,747	0
Joint taxation contribution receivable		0	18,941
Prepayments		6,001	0
Receivables		3,319,115	18,941
Cash		1,297,962	0
Assets		4,828,904	56,652

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		40,000	40,000
Retained earnings		(413,754)	(536,328)
Equity		(373,754)	(496,328)
Deferred tax		8,000	0
Other payables		58,672	0
Non-current liabilities other than provisions	5	66,672	0
Trade payables		1,641,525	0
Payables to group enterprises		2,542,462	542,980
Income tax payable		32,306	0
Other payables	6	823,055	10,000
Deferred income		96,638	0
Current liabilities other than provisions		5,135,986	552,980
Liabilities other than provisions		5,202,658	552,980
Equity and liabilities		4,828,904	56,652
Contingent liabilities	7		
Assets charged and collateral	8		

Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	40,000	(536,328)	(496,328)
Profit/loss for the year	0	122,574	122,574
Equity end of year	40,000	(413,754)	(373,754)

Notes

1 Staff costs

	2020 DKK	2019 DKK
Wages and salaries	625,729	0
Pension costs	17,576	0
Other social security costs	3,581	0
Other staff costs	15,929	0
	662,815	0
Average number of full-time employees	1	0

2 Depreciation, amortisation and impairment losses

	2020 DKK	2019 DKK
Depreciation of property, plant and equipment	12,155	0
	12,155	0

3 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	32,306	0
Change in deferred tax	8,000	0
Refund in joint taxation arrangement	0	(18,941)
	40,306	(18,941)

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Additions	194,482
Cost end of year	194,482
Depreciation for the year	(12,155)
Depreciation and impairment losses end of year	(12,155)
Carrying amount end of year	182,327

5 Non-current liabilities other than provisions

	Due after more than 12 months 2020 DKK
Other payables	58,672
	58,672

As per 31.12.2020 DKK 0 of the non-current liabilities are due 5 years after the balance sheet date.

6 Other payables

	2020 DKK	2019 DKK
VAT and duties	662,965	0
Wages and salaries, personal income taxes, social security costs, etc payable	135,090	0
Other costs payable	25,000	10,000
	823,055	10,000

7 Contingent liabilities

In connection with the sale of kitchens, the Company has provided standard guarantee commitments.

The Entity participates in a Danish joint taxation arrangement where Reform Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

8 Assets charged and collateral

As collateral for liabilities with Danske Bank the company has pledged a bank account with a balance of DKK 264.000 at 31 December 2020.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Non-comparability

The Company's financial year comprises 12 months compared to 8 months last year. The Company's financial year was shortened last year due to the start-up phase. Consequently, the comparative figures in the income statement are not directly comparable.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Property, plant and equipment**

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
--	-----------

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.