
Blazar Elite ApS

Lindgreens Allé 9, DK-2300 København S

Annual Report for 2021

CVR No. 40 77 35 68

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 1/6 2022

Michael Thomsen
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's statement	1
Practitioner's Statement on Compilation of Financial Statements	2
Management's Review	
Company information	3
Management's review	4
Financial Statements	
Income statement 1 January 2021 - 31 December 2021	5
Balance sheet 31 December 2021	6
Statement of changes in equity	8
Notes to the Financial Statements	9

Management's statement

The Executive Board has today considered and adopted the Financial Statements of Blazar Elite ApS for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

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

I recommend that the Financial Statements be adopted at the Annual General Meeting.

Copenhagen S, 1 June 2022

Executive Board

Michael Thomsen
CEO

Practitioner's Statement on Compilation of Financial Statements

To the Management of Blazar Elite ApS

We have compiled the Financial Statements of Blazar Elite ApS for the financial year 1 January - 31 December 2021 on the basis of the Company's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Hellerup, 1 June 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Niels Henrik B. Mikkelsen

State Authorised Public Accountant

mne16675

Martin Birch

State Authorised Public Accountant

mne42825

Company information

The Company

Blazar Elite ApS

Lindgreens Allé 9
DK-2300 København S

CVR No: 40 77 35 68

Financial period: 1 January - 31 December

Incorporated: 2 September 2019

Financial year: 2nd financial year

Municipality of reg. office: Copenhagen

Executive board

Michael Thomsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Management's review

Key activities

The Company's key activities is start and operate various brands of consumer goods, as well as other active leaders find relevant.

Development in the year

The income statement of the Company for 2021 shows a loss of DKK 504,125, and at 31 December 2021 the balance sheet of the Company shows negative equity of DKK 573,179.

Capital resources

The company has lost more than 50 % of the share capital and are therefore covered by the Danish Companies Act for capital resources. The Company owns shares in subsidiaries that generate profits, and thus is expected to contribute to a strengthened equity within a short number of years through dividends

The annual report is presented in the presumption of the company's future existence. The management of the company expects the level of activity to be strengthened and improved.

The management consider the capital resources sufficient for the company, as well as their bank maintain the financial agreements which has been agreed between the parties.

The Company has received a letter of support from Blazar ApS stating that they will extend existing loans to ensure that the Company will be able to meet its obligations. Further, loan extended to the Company from Blazar ApS will not be called unless the liquidity position of the Company is adequate to justify such repayment. The support letter is valid until 31 December 2021.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2021 DKK 12 months	2019/20 DKK 16 months
Gross loss		-176,859	-388,940
Staff expenses		-136,170	-901,805
Profit/loss before financial income and expenses		-313,029	-1,290,745
Financial income	2	711,253	225,378
Financial expenses	3	-902,349	-3,687
Profit/loss before tax		-504,125	-1,069,054
Tax on profit/loss for the year		0	0
Net profit/loss for the year		-504,125	-1,069,054

Distribution of profit

	2021 DKK	2019/20 DKK
Proposed distribution of profit		
Retained earnings	-504,125	-1,069,054
	-504,125	-1,069,054

Balance sheet 31 December

Assets

	Note	2021 DKK	2019/20 DKK
Investments in subsidiaries		1,663,601	1,663,601
Fixed asset investments		1,663,601	1,663,601
Fixed assets		1,663,601	1,663,601
Trade receivables		1,143	72,529
Receivables from group enterprises		19,907,372	11,568,943
Other receivables		122,956	40,136
Receivables		20,031,471	11,681,608
Cash at bank and in hand		1,449,353	325,519
Current assets		21,480,824	12,007,127
Assets		23,144,425	13,670,728

Balance sheet 31 December

Liabilities and equity

	Note	2021	2019/20
		DKK	DKK
Share capital		1,000,000	1,000,000
Retained earnings		-1,573,179	-1,069,054
Equity		-573,179	-69,054
Trade payables		2,115	2,115
Payables to group enterprises		23,693,731	13,730,879
Other payables		21,758	6,788
Short-term debt		23,717,604	13,739,782
Debt		23,717,604	13,739,782
Liabilities and equity		23,144,425	13,670,728
Going concern	1		
Contingent assets, liabilities and other financial obligations	4		
Accounting Policies	5		

Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	1,000,000	-1,069,054	-69,054
Net profit/loss for the year	0	-504,125	-504,125
Equity at 31 December	1,000,000	-1,573,179	-573,179

Notes to the Financial Statements

1. Going concern

The company has lost more than 50 % of the share capital and are therefore covered by the Danish Companies Act for capital resources. The Company owns shares in subsidiaries that generate profits, and thus is expected to contribute to a strengthened equity within a short number of years through dividends

The annual report is presented in the presumption of the company's future existence. The management of the company expects the level of activity to be strengthened and improved.

The management consider the capital resources sufficient for the company, as well as their bank maintain the financial agreements which has been agreed between the parties.

The Company has received a letter of support from Blazar ApS stating that they will extend existing loans to ensure that the Company will be able to meet its obligations. Further, loan extended to the Company from Blazar ApS will not be called unless the liquidity position of the Company is adequate to justify such repayment. The support letter is valid until 31 December 2022.

2. Financial income

	2021 DKK	2019/20 DKK
Interest received from group enterprises	709,883	225,073
Other financial income	1,370	305
	<u>711,253</u>	<u>225,378</u>

3. Financial expenses

	2021 DKK	2019/20 DKK
Interest paid to group enterprises	896,820	0
Other financial expenses	4,977	3,687
Exchange adjustments, expenses	552	0
	<u>902,349</u>	<u>3,687</u>

4. Contingent assets, liabilities and other financial obligations

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Blazar ApS, which is the management company of the joint taxation purposes. Moreover, the 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.

Notes to the Financial Statements

5. Accounting policies

The Annual Report of Blazar Elite ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Income statement

Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales and as well as office expenses, etc.

Gross loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Notes to the Financial Statements

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

Financial income and 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 Blazar ApS. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

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.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Notes to the Financial Statements

Financial debts

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