
Blazar Elite ApS

Lindgreens Allé 9, DK-2300 København S

Annual Report for 2 September 2019 - 31 December 2020

CVR No. 40 77 35 68

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 10/5 2021

Gustav Langberg Hossy
Chairman of the
general meeting



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Management's statement

The Executive Board has today considered and adopted the Financial Statements of Blazar Elite ApS for the financial year 2 September 2019 - 31 December 2020.

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 2020 of the Company and of the results of the Company operations for 2019/20.

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, 10 May 2021

Executive Board

Gustav Langberg Hossy
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 2 September 2019 - 31 December 2020 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 IESBA's Code of Ethics, 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, 10 May 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Niels Henrik B. Mikkelsen

State Authorised Public Accountant

mne16675

Company information

The Company	Blazar Elite ApS Lindgreens Allé 9 DK-2300 København S CVR No: 40 77 35 68 Financial period: 2 September 2019 - 31 December 2020 Incorporated: 2 September 2019 Financial year: 1st financial year Municipality of reg. office: København
Executive board	Gustav Langberg Hossy
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 2019/20 shows a loss of DKK 1,069,054, and at 31 December 2020 the balance sheet of the Company shows negative equity of DKK 69,054.

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 mangement 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 provide necessary support to ensure that the Company will be able to meet its obligations. Further, loan extended and additional future loans extends 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 May 2022.

Subsequent events

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

Income statement 2 September 2019 - 31 December 2020

	Note	2019/20 DKK 16 months
Gross profit/loss		-388,940
Staff expenses		-901,805
Profit/loss before financial income and expenses		-1,290,745
Financial income	2	225,378
Financial expenses		-3,687
Profit/loss before tax		-1,069,054
Tax on profit/loss for the year		0
Net profit/loss for the year		-1,069,054

Distribution of profit

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

Balance sheet 31 December 2020

Assets

	<u>Note</u>	<u>2019/20</u> DKK
Investments in subsidiaries	3	1,663,601
Fixed asset investments		<u>1,663,601</u>
Fixed assets		<u>1,663,601</u>
Trade receivables		72,529
Receivables from group enterprises		11,568,943
Other receivables		40,136
Receivables		<u>11,681,608</u>
Cash at bank and in hand		<u>325,519</u>
Current assets		<u>12,007,127</u>
Assets		<u>13,670,728</u>

Balance sheet 31 December 2020

Liabilities and equity

	<u>Note</u>	<u>2019/20</u> DKK
Share capital		1,000,000
Retained earnings		-1,069,054
Equity		<u>-69,054</u>
Trade payables		2,115
Payables to group enterprises		13,730,879
Other payables		6,788
Short-term debt		<u>13,739,782</u>
Debt		<u>13,739,782</u>
Liabilities and equity		<u>13,670,728</u>
Going concern	1	
Accounting Policies	4	

Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 2 September	1,000,000	0	1,000,000
Net profit/loss for the year	0	-1,069,054	-1,069,054
Equity at 31 December	1,000,000	-1,069,054	-69,054

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 provide necessary support to ensure that the Company will be able to meet its obligations. Further, loan extended and additional future loans extends 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 May 2022.

2019/20

DKK

2. Financial income

Income from securities, which are fixed assets	305
Interest received from group enterprises	225,073
	<u>225,378</u>

2019/20

DKK

3. Investments in subsidiaries

Additions for the year	1,663,601
Cost at 31 December	1,663,601
	<u>1,663,601</u>
Carrying amount at 31 December	<u>1,663,601</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership and Votes
Blazar Elite Inc.	Delaware, USA	1,473,268	100%

Notes to the Financial Statements

4. Accounting policies

The Annual Report of Blazar Elite ApS for 2019/20 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 2019/20 are presented in DKK.

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 profit/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.

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.

Notes to the Financial Statements

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 . 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.

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.

Financial debts

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