

HL ACOUSTIC ApS

Peter Bangs Vej 17
7600 Struer

CVR no. 41 12 08 86

Annual report for 2021



REVISION LIMFJORD

FORRETNING FRYDER

The annual report was presented and adopted at the
annual general meeting of the company on 4 July
2022

Peter Petersen
chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	3
Auditor's report on compilation of the financial statements	4
Management's review	
Company details	5
Management's review	6
Financial statements	
Accounting policies	7
Income Statement	9
Balance Sheet	10
Statement of changes in equity	12
Notes	13

Statement by management on the annual report

The executive board has today discussed and approved the annual report of HL ACOUSTIC ApS for the financial year 1 January - 31 December 2021.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the company's 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 my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Struer, 4 July 2022

Executive board

Pauline O'Callaghan
Director

Auditor's report on compilation of the financial statements

To the shareholder of HL ACOUSTIC ApS

We have compiled the financial statements of HL ACOUSTIC ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

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

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), including principles relating to integrity, objectivity, professional competence and due care.

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

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Struer, 4 July 2022

REVISION LIMFJORD
Godkendt Revisionspartnerselskab
CVR no. 41 45 45 55

Klaus Viborg Pedersen
Approved auditor
MNE no. mne34271

Company details

The company

HL ACOUSTIC ApS
Peter Bangs Vej 17
7600 Struer

CVR no.: 41 12 08 86

Reporting period: 1 January - 31 December 2021

Domicile: Struer

Executive board

Pauline O'Callaghan, director

Auditors

REVISION LIMFJORD
Godkendt Revisionspartnerselskab
Ved Fjorden 25
7600 Struer

Management's review

Business review

The company's most important activity is to develop software and platforms for earpads as well as related business.

Financial review

The company's income statement for the year ended 31 December 2021 shows a loss of DKK 349.171, and the balance sheet at 31 December 2021 shows negative equity of DKK 262.237.

Equity loss

The assets, equity and liabilities are assessed with going concern in mind. The management is aware of the loss of equity and are therefore subject to Companies Act § 119. It is the management's assessment that despite the loss of equity, the company is still able to continue.

It is expected that the equity of the company will be restored in future earnings. Management will on an ongoing basis assess the capital base and the re-establishment of equity.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of HL ACOUSTIC ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The annual report for 2021 is presented in DKK

As 2021 is the company's first reporting period, no comparatives have been presented.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff expenses

Personnel costs include wages and salaries, including holiday pay and pensions as well as other costs for social security, etc. to the company's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Accounting policies

Financial income and expenses

Financial income and expenses are recognized in the income statement at the amounts relating to the financial year. Financial items include interest income and expenses.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Investments in subsidiaries, associates and participating interests

Investments in subsidiaries, associates and participating interests are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Cash and cash equivalents

Cash and cash equivalents include cash and cash.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Income statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit		62.078	169.664
Staff costs	2	-407.123	-109.194
Profit/loss before net financials		-345.045	60.470
Financial costs	3	-4.126	-314
Profit/loss before tax		-349.171	60.156
Tax on profit/loss for the year		0	-13.222
Profit/loss for the year		-349.171	46.934
Recommended appropriation of profit/loss			
Retained earnings		-349.171	46.934
		-349.171	46.934

Balance sheet at 31 December 2021

	Note	2021 DKK	2020 DKK
Assets			
Fixed asset investments			
Receivables from subsidiaries		70.000	70.000
Fixed asset investments		70.000	70.000
Total non-current assets		70.000	70.000
Current assets			
Other receivables		700	700
Receivables		700	700
Cash at bank and in hand		16.643	41.179
Total current assets		17.343	41.879
Total assets		87.343	111.879

Balance sheet at 31 December 2021

	Note	2021 DKK	2020 DKK
Equity and liabilities			
Equity			
Share capital		40.000	40.000
Retained earnings		-302.237	46.934
Equity		<u>-262.237</u>	<u>86.934</u>
Payables to shareholders and management		320.635	0
Corporation tax		13.222	13.222
Other payables		15.723	11.723
Total current liabilities		<u>349.580</u>	<u>24.945</u>
Total liabilities		<u>349.580</u>	<u>24.945</u>
Total equity and liabilities		<u>87.343</u>	<u>111.879</u>
Uncertainty about the continued operation (going concern)	1		
Contingent liabilities	4		
Mortgages and collateral	5		

Statement of changes in equity

	Share capital DKK	Retained earnings DKK	Total DKK
Equity at 1 January 2021	40.000	46.934	86.934
Net profit/loss for the year	0	-349.171	-349.171
Equity at 31 December 2021	40.000	-302.237	-262.237

Notes

1 Uncertainty about the continued operation (going concern)

The company is covered by the capital provisions in the Companies Act. As a result, the company's management must report on the company's financial position and expected development at the forthcoming general meeting.

However, management expects the company to continue operations.

Management expects the company's equity to be re-established within a foreseeable number of years.

Management guarantees the equity of the company.

	2021 DKK	2020 DKK
2 Staff costs		
Wages and salaries	362.948	109.194
Pensions	44.175	0
	<u>407.123</u>	<u>109.194</u>
Average number of employees	<u>1</u>	<u>0</u>
3 Financial costs		
Other financial costs	4.126	314
	<u>4.126</u>	<u>314</u>

4 Contingent liabilities

The company has no contingent liabilities.

5 Mortgages and collateral

No collateral has been provided for assets listed in this annual report.

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Pauline O'Callaghan

Direktør

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Klaus Viborg Pedersen

Registreret revisor

På vegne af: Revision Limfjord P/S

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