

Product Brothers ApS

Nordre Teglkaaj 14, 6. th.
DK-2450 København SV

CVR no. 41 33 10 38

Annual report 2020/21

The annual report was presented and approved at
the Company's annual general meeting on

8 March 2022

Philip Hempel Sparsø
Chairman

Contents

Statement by the Executive Board	2
Auditor's report on the compilation of financial statements	3
Management's review	4
Company details	4
Operating review	5
Financial statements 30 April 2020 – 30 September 2021	6
Income statement	6
Balance sheet	7
Notes	9

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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Product Brothers ApS for the financial period 30 April 2020 – 30 September 2021.

The annual report, which has not been audited, is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 September 2021 and of the results of the Company's operations for the financial period 30 April 2020 – 30 September 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 8 March 2022
Executive Board:

Martin Hempel Sparsø
Director

Philip Hempel Sparsø
Director



Auditor's report on the compilation of financial statements

To the Management of Product Brothers ApS

We have compiled the financial statements of Product Brothers ApS for the financial period 30 April 2020 – 30 September 2021 based on the Company's bookkeeping records and other information provided by you.

The financial statements comprise income statement, balance sheet and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 *Engagements to Compile Financial Statements*.

We have applied our professional expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with the independence and other ethical requirements of the IESBA Codes of Ethics, which is based on fundamental principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

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

Copenhagen, 7 January 2022 8 March 2022

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

Product Brothers ApS
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Management's review

Company details

Product Brothers ApS
Nordre Teglkaj 14, 6. th.
2450 København SV

E-mail:	philipsparso@gmail.com
CVR no.:	41 33 10 38
Financial period:	30 April 2020 – 30 September 2021

Executive Board

Martin Hempel Sparsø, Director
Philip Hempel Sparsø, Director

Management's review

Operating review

Principal activities

The company's purpose is to conduct business with retail of various products via the Internet.

Development in activities and financial position

The Company's income statement for 2020/21 shows a profit of DKK -23,095 as against DKK 0 in 2019/20. Equity in the Company's balance sheet at 30 September 2021 stood at DKK 16,905 as against DKK 0 at 30 September 2020.

Events after the balance sheet date

No events have incurred after the balance date that has significant impact on the financial statements.

Financial statements 30 April – 30 September

Income statement

DKK	Note	30/4 2020- 30/9 2021
Gross profit/loss		<u>-27,234</u>
Other financial expenses		<u>-2,375</u>
Profit/loss before tax		<u>-29,609</u>
Tax on profit/loss for the year	2	<u>6,514</u>
Profit/loss for the year		<u><u>-23,095</u></u>
Proposed profit appropriation/distribution of loss		
Retained earnings		<u>-23,095</u>
		<u><u>-23,095</u></u>

Financial statements 30 April – 30 September

Balance sheet

DKK	Note	<u>30/9 2021</u>
ASSETS		
Current assets		
Receivables		
Receivables from group entities		<u>6,514</u>
Cash at bank and in hand		<u>12,391</u>
Total current assets		<u>18,905</u>
TOTAL ASSETS		<u><u>18,905</u></u>

Financial statements 30 April – 30 September

Balance sheet

DKK	Note	<u>30/9 2021</u>
EQUITY AND LIABILITIES		
Equity		
Contributed capital		40,000
Retained earnings		<u>-23,095</u>
Total equity		<u>16,905</u>
Liabilities		
Current liabilities		
Other payables		<u>2,000</u>
Total liabilities		<u>2,000</u>
TOTAL EQUITY AND LIABILITIES		<u><u>18,905</u></u>
Contractual obligations, contingencies, etc.	3	

Financial statements 30 April – 30 September

Notes

1 Accounting policies

The annual report of Product Brothers ApS for 2020/21 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Tax on profit/loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost.

Cash at bank and in hand

Cash and cash equivalents comprise cash.

Financial statements 30 April – 30 September

Notes

1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as intercompany balance with the group entities.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Other liabilities are measured at net realisable value.

Financial statements 30 April – 30 September

Notes

2 Tax on profit/loss for the year

DKK

Current tax for the year

30/4 2020- 30/9 2021
<u>-6,514</u>
<u><u>-6,514</u></u>

3 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company are in joint taxation with it's Danish subsidiaries, and are therefore liable and solidary for additional companies in the national joint taxation. Any corrections that may occur of the joint taxation will lead to the company's liable and solidary joint taxation to account to a different amount.