
Nornorm A/S

Bådsmannsstræde 19B, DK-1407 København K

Annual Report for 31 July 2020 - 31 December 2021

CVR No 41 55 41 42

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
28/6 2022

Anders Munk Jepsen
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Nornorm A/S for the financial year 31 July 2020 - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our 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 2020/21.

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

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 28 June 2022

Executive Board

Anders Munk Jepsen
Executive Officer

Board of Directors

Eric Jonas Oskar Kjellberg
Chairman

Anders Munk Jepsen

Bo Lippert-Larsen

Independent Auditor's Report

To the Shareholder of Nornorm A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 31 July 2020 - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Nornorm A/S for the financial year 31 July 2020 - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Independent Auditor's Report

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's Report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 28 June 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Nikolaj Erik Johnsen

statsautoriseret revisor

mne35806

Company Information

The Company

Nornorm A/S
Bådsmadsstræde 19B
DK-1407 København K

CVR No: 41 55 41 42
Financial period: 31 July - 31 December
Incorporated: 31 July 2020
Financial year: 1st financial year
Municipality of reg. office: København

Board of Directors

Eric Jonas Oskar Kjellberg, Chairman
Anders Munk Jepsen
Bo Lippert-Larsen

Executive Board

Anders Munk Jepsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Key activities

The company's purpose is to conduct business with the development of software and concept for the sale and rental of office furniture to traders and to undertake such rental of furniture directly and through subsidiaries.

Development in the year

The income statement of the Company for 2020/21 shows a loss of DKK 54,009,350, and at 31 December 2021 the balance sheet of the Company shows equity of DKK 37,865,002.

Subsequent events

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

Income Statement 31 July - 31 December

	<u>Note</u>	<u>2020/21</u> DKK
Gross profit/loss		-42.029.091
Staff expenses	1	-12.278.063
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	<u>-717.216</u>
Profit/loss before financial income and expenses		-55.024.370
Financial income	3	892.506
Financial expenses	4	<u>-3.229.788</u>
Profit/loss before tax		-57.361.652
Tax on profit/loss for the year	5	<u>3.352.302</u>
Net profit/loss for the year		<u>-54.009.350</u>

Distribution of profit

Proposed distribution of profit

Retained earnings	<u>-54.009.350</u>
	<u>-54.009.350</u>

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2020/21</u> DKK
Completed development projects		10.688.993
Development projects in progress		<u>0</u>
Intangible assets	6	<u>10.688.993</u>
Other fixtures and fittings, tools and equipment		254.579
Leasehold improvements		<u>307.989</u>
Property, plant and equipment	7	<u>562.568</u>
Investments in subsidiaries	8	58.884
Deposits	9	<u>355.585</u>
Fixed asset investments		<u>414.469</u>
Fixed assets		<u>11.666.030</u>
Trade receivables		423.054
Receivables from group enterprises		14.743.162
Other receivables		734.033
Corporation tax		3.352.302
Prepayments		<u>472.177</u>
Receivables		<u>19.724.728</u>
Cash at bank and in hand		<u>10.925.862</u>
Currents assets		<u>30.650.590</u>
Assets		<u>42.316.620</u>

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2020/21</u> DKK
Share capital		1.815.446
Reserve for development costs		8.337.415
Retained earnings		<u>27.712.141</u>
Equity		<u>37.865.002</u>
Trade payables		3.240.980
Payables to group enterprises		308.835
Other payables		<u>901.803</u>
Short-term debt		<u>4.451.618</u>
Debt		<u>4.451.618</u>
Liabilities and equity		<u>42.316.620</u>
Contingent assets, liabilities and other financial obligations	11	
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Statement of Changes in Equity

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 31 July	0	0	0	0
Cash payment concerning formation of entity	1.559.739	0	17.050.761	18.610.500
Cash capital increase	1.743.327	0	75.239.575	76.982.902
Cash capital reduction	-1.487.620	0	-2.231.430	-3.719.050
Development costs for the year	0	8.740.205	-8.740.205	0
Depreciation, amortisation and impairment for the year	0	-402.790	402.790	0
Net profit/loss for the year	0	0	-54.009.350	-54.009.350
Equity at 31 December	1.815.446	8.337.415	27.712.141	37.865.002

Notes to the Financial Statements

	2020/21
	DKK
1 Staff expenses	
Wages and salaries	11.019.062
Pensions	993.046
Other social security expenses	71.333
Other staff expenses	194.622
	12.278.063
Average number of employees	9
2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	
Amortisation of intangible assets	516.398
Depreciation of property, plant and equipment	200.818
	717.216
3 Financial income	
Interest received from group enterprises	606.124
Other financial income	10.807
Exchange gains	275.575
	892.506
4 Financial expenses	
Interest paid to group enterprises	1.232.069
Other financial expenses	409.560
Exchange adjustments, expenses	66.922
Exchange loss	1.521.237
	3.229.788

Notes to the Financial Statements

	2020/21
	DKK
5 Tax on profit/loss for the year	
Current tax for the year	-3.352.302
	-3.352.302

6 Intangible assets

	Completed development projects DKK	Development projects in progress DKK
Cost at 31 July	0	0
Additions for the year	0	11.205.391
Transfers for the year	11.205.391	-11.205.391
Cost at 31 December	<u>11.205.391</u>	<u>0</u>
Impairment losses and amortisation at 31 July	0	0
Amortisation for the year	516.398	0
Impairment losses and amortisation at 31 December	<u>516.398</u>	<u>0</u>
Carrying amount at 31 December	<u>10.688.993</u>	<u>0</u>

Completed development projects and development projects in progress relate to the Company's development of their digital platform. Development in 2020/2021 has been focused on developing the platform that will support the Company's activities going forward.

The development is going according to plan and by the resources, that Management has deemed necessary to solve these tasks.

Notes to the Financial Statements

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	<u>DKK</u>	<u>DKK</u>
Cost at 31 July	0	0
Additions for the year	<u>313.907</u>	<u>449.479</u>
Cost at 31 December	<u>313.907</u>	<u>449.479</u>
Impairment losses and depreciation at 31 July	0	0
Depreciation for the year	<u>59.328</u>	<u>141.490</u>
Impairment losses and depreciation at 31 December	<u>59.328</u>	<u>141.490</u>
Carrying amount at 31 December	<u>254.579</u>	<u>307.989</u>

Notes to the Financial Statements

	2020/21 DKK
8 Investments in subsidiaries	
Cost at 31 July	0
Additions for the year	58.884
Cost at 31 December	58.884
Value adjustments at 31 July	0
Value adjustments at 31 December	0
Carrying amount at 31 December	58.884

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
NORNORM International Furnishing ApS	Copenhagen	40.000	100%
NORNORM AB	Amsterdam	18.414	100%
NORNORM BV	Stockholm	743	100%

	Deposits DKK
9 Other fixed asset investments	
Cost at 31 July	0
Additions for the year	355.585
Cost at 31 December	355.585
Carrying amount at 31 December	355.585

10 Provision for deferred tax	
Intangible assets	2.352.000
Property, plant and equipment	-7.000
Tax loss carry-forward	-2.345.000
	0

Notes to the Financial Statements

11 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. 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

12 Accounting Policies

The Annual Report of Nornorm A/S for 2020/21 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 Financial Statements for 2020/21 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, 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.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

12 Accounting Policies (continued)

Income Statement

Revenue

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.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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 indirect production costs and expenses for premises, sales and distribution 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 expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Notes to the Financial Statements

12 Accounting Policies (continued)

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 wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	4	years
Leasehold improvements	4	years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

12 Accounting Policies (continued)

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

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

Other fixed asset investments

Other fixed asset investments consist of deposit.

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.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

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 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.

Notes to the Financial Statements

12 Accounting Policies (continued)

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.