

# Pro Design Interior ApS

c/o Det Italienske Handelskammer i Danmark, H.C. Boulevard 37, 4. th., 1553 København  
V

Company reg. no. 41 86 35 36

## Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 12 August 2024.



Mircea Octavian Musat  
Chairman of the meeting

Medlem af:

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Statsautoriseret  
revisionspartnerselskab

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## Management's statement

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Today, the Executive Board has approved the annual report of Pro Design Interior ApS for the financial year 1 January - 31 December 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

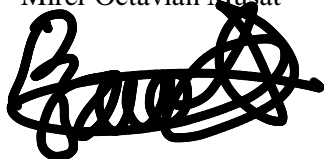
Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

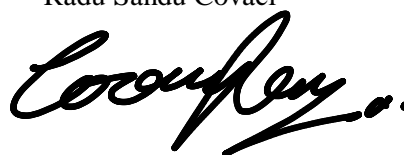
København V, 12 August 2024

### Executive board

Mirel-Octavian Musat



Radu Sandu Covaci



## **The independent practitioner's report**

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### **To the Shareholders of Pro Design Interior ApS**

#### **Report on extended review of the Financial Statements**

##### **Adverse conclusion**

We have performed an extended review of the financial statements of Pro Design Interior ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion" section of our report, the financial statements do not give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

##### **Basis for Adverse conclusion**

The annual accounts have been prepared on the assumption of going concern. As stated in Note 1, the assumption for going concern is that positive resultat and cash flows are generated so that the company can pay its bills as they fall due. Management expects to provide liquidity based on expected operating profit.

We have not been able to obtain sufficient and suitable evidence to support that the Company can provide the necessary liquidity as the debt falls due. Our opinion is qualified regarding the annual report have been prepared on the assumption of going concern.

We have not been able to obtain the necessary documentation for work in progress and are thus unable to assess the valuation and presence recognised in the balance with DKK 1,500,000. Our opinion is qualified regarding the valuation and presence of work in progress.

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## **The independent practitioner's report**

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### **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.

### **Practitioner's responsibilities for the extended review of the Financial Statements**

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

### **Statement on the Management's Review**

Management is responsible for the Management's Review.

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

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

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

As evident from the paragraph "Basis for Adverse conclusion", our conclusion on the financial statements is modified due to the annual report have been prepared on the assumption of going concern. We found that, for the same reason, the Management's Review contains material misstatements in relation to the elements affected by the annual report have been prepared on the assumption of going concern.

## **The independent practitioner's report**

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### **Statement pursuant to other regulation**

#### **Violation of reporting rules**

The company's management has not complied with the Danish Financial Statements Act submission deadline for submission of the annual report.

Management may be hold liable for this matter.

Aarhus, 12 August 2024

### **Kovsted & Skovgård**

Company reg. no. 38 75 16 46

**René Ferrer Ruiz**

State Authorised Public Accountant  
mne33710

**Company information**

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**The company**

Pro Design Interior ApS  
c/o Det Italienske Handelskoammer i Danmark  
H.C. Boulevard 37, 4. th.  
1553 København V

Company reg. no. 41 86 35 36  
Financial year: 1 January - 31 December

**Executive board**

Mirel-Octavian Musat  
Radu Sandu Covaci

**Auditors**

Kovsted & Skovgård Statsautoriseret revisionspartnerselskab

## Management's review

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### Description of key activities of the company

The company's activity is within carpentry and building joinery business, primarily with interior completion of ceilings and walss as wll as any activity related to this.

### Uncertainties connected with recognition or measurement

Regarding assumptions for going concern please refer to note 1.

### Development in activities and financial matters

The gross profit for the year totals DKK 41,955,176 against DKK 37,965,261 last year. Income or loss from ordinary activities after tax totals DKK -848,260 against DKK -7,735,299 last year. Management considers the loss for the year unsatisfactory. The result for the year was affected by a settlement with 3F at an expense of DKK 1,000,000. Please refer to note 2.

### Events occurring after the end of the financial year

No events have occurred after the reporting date that may materially affect the financial position of the company.



## Accounting policies

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The annual report for Pro Design Interior ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

## Accounting policies

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### Income statement

#### Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

#### Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

#### Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

#### Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

## Accounting policies

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### Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

### Statement of financial position

#### Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	5 years	0 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

### Investments

#### Other financial instruments

Financial instruments recognised under non-current assets comprise listed bonds and shares measured at fair value on the reporting date. Listed financial instruments are measured at market price.

## Accounting policies

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Other unlisted financial instruments are measured at cost. Write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

### Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

### Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

### Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress cannot be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

### Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

### Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

## **Accounting policies**

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Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

### **Liabilities other than provisions**

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

## Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Gross profit</b>	<b>41.955.176</b>	<b>37.965.261</b>
3 Staff costs	-40.322.171	-44.677.561
Depreciation and impairment of property, land, and equipment	-139.756	-384.074
Other operating expenses	-1.784.373	-404.358
<b>Operating profit</b>	<b>-291.124</b>	<b>-7.500.732</b>
Other financial income	16.607	99.205
Other financial expenses	-665.096	-396.388
<b>Pre-tax net profit or loss</b>	<b>-939.613</b>	<b>-7.797.915</b>
Tax on net profit or loss for the year	91.353	62.616
<b>Net profit or loss for the year</b>	<b>-848.260</b>	<b>-7.735.299</b>
<b>Proposed distribution of net profit:</b>		
Allocated from retained earnings	-848.260	-7.735.299
<b>Total allocations and transfers</b>	<b>-848.260</b>	<b>-7.735.299</b>

**Balance sheet at 31 December**

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Non-current assets</b>		
Other fixtures, fittings, tools and equipment	175.150	1.361.419
Total property, plant, and equipment	<u>175.150</u>	<u>1.361.419</u>
Deposits	49.562	45.000
Total investments	<u>49.562</u>	<u>45.000</u>
<b>Total non-current assets</b>	<b><u>224.712</u></b>	<b><u>1.406.419</u></b>
<b>Current assets</b>		
Trade receivables	1.963.395	413.504
Contract work in progress	1.500.000	523.519
Deferred tax assets	88.123	0
Income tax receivables	14.000	0
Other receivables	49.297	358.689
Prepayments	172.917	34.937
Total receivables	<u>3.787.732</u>	<u>1.330.649</u>
Cash and cash equivalents	59.009	1.947.792
<b>Total current assets</b>	<b><u>3.846.741</u></b>	<b><u>3.278.441</u></b>
<b>Total assets</b>	<b><u>4.071.453</u></b>	<b><u>4.684.860</u></b>

## Balance sheet at 31 December

All amounts in DKK.

<b>Equity and liabilities</b>		<u>2023</u>	<u>2022</u>
<u>Note</u>			
<b>Equity</b>			
Contributed capital		40.000	40.000
Retained earnings		-8.354.204	-7.505.944
<b>Total equity</b>		<u><b>-8.314.204</b></u>	<u><b>-7.465.944</b></u>
<b>Provisions</b>			
Provisions for deferred tax		0	3.230
<b>Total provisions</b>		<u><b>0</b></u>	<u><b>3.230</b></u>
<b>Liabilities other than provisions</b>			
Trade payables		1.940.449	1.256.888
Payables to shareholders and management		339.374	201.703
Other payables		10.105.834	10.688.983
Total short term liabilities other than provisions		<u>12.385.657</u>	<u>12.147.574</u>
<b>Total liabilities other than provisions</b>		<u><b>12.385.657</b></u>	<u><b>12.147.574</b></u>
<b>Total equity and liabilities</b>		<u><b>4.071.453</b></u>	<u><b>4.684.860</b></u>
<b>1</b>	<b>Uncertainties relating to going concern</b>		
<b>2</b>	<b>Special items</b>		



**Statement of changes in equity**

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All amounts in DKK.

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2022	40.000	229.355	269.355
Retained earnings for the year	0	-7.735.299	-7.735.299
Equity 1 January 2023	40.000	-7.505.944	-7.465.944
Retained earnings for the year	0	-848.260	-848.260
	<b>40.000</b>	<b>-8.354.204</b>	<b>-8.314.204</b>

## Notes

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All amounts in DKK.

### 1. Uncertainties relating to going concern

There is significant uncertainty about the Company's ability to continue operations. The Company's equity is negative by DKK -8.314.204 and the Company's current liabilities exceed current assets by DKK 8,538,916.

The main factors for the basis of going concern is positive liquidity coming from the Company's future positive operations based on the company's prepared budget. If the Company's budgets are not realized, this may change the Company's ability to continue operations. Furthermore it is a necessity that the company enters into payment agreement with creditors so that the company can pay the bills as they fall due.

It is management's expectation that the above will be implemented, which is why the financial statements have been prepared under the assumption of going concern.

### 2. Special items

Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.

As mentioned in the management commentary, the net profit or loss for the year is affected by a number of factors that differ from what is considered by management to be part of operating activities.

Special items for the year are specified below, indicating where they are recognised in the income statement.

Settlement with 3F of DKK 1,000,000 is recognised in the income statement under "other operating expenses".

## Notes

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All amounts in DKK.

	<u>2023</u>	<u>2022</u>
<b>3. Staff costs</b>		
Salaries and wages	35.011.778	39.282.932
Pension costs	4.265.104	4.541.376
Other costs for social security	310.234	319.228
Other staff costs	735.055	534.025
	<u><b>40.322.171</b></u>	<u><b>44.677.561</b></u>
Average number of employees	<u>91</u>	<u>94</u>