



VADSKÆR
KRØMMELBEIN
STATSAUTORISERET
REVISIONSANPARTSSELSKAB

Annual report for 2021/22

Motel a Miiø Copenhagen ApS

Kronprinsensgade 12, st., 1114 København K

CVR no. 42 79 94 24

(1st Financial year)

Adopted at the annual general meeting on 11
May 2023

Philipp Castien
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Motel a Miio Copenhagen ApS for the financial year 29 October 2021 - 31 December 2022.

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 company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 29 October 2021 - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

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

København K, 11 May 2023

Executive board

Philipp Castien
Director

Anna Elisa Catharina von Hellberg
director

Auditor's report on compilation of the financial statements

To the shareholder of Motel a Miio Copenhagen ApS

We have compiled the financial statements of Motel a Miio Copenhagen ApS for the financial year 29 October 2021 - 31 December 2022 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.

Brøndby, 11 May 2023

Vadskær Krømmelbein
Statsautoriseret Revisionsanpartsselskab
CVR no. 40 68 97 45

Michael Kodama Krømmelbein
Statsautoriseret revisor
MNE no. mne44139

Company details

The company

Motel a Miio Copenhagen ApS
Kronprinsensgade 12, st.
1114 København K

CVR no.: 42 79 94 24

Reporting period: 29 October 2021 - 31 December 2022

Domicile: Copenhagen

Executive board

Philipp Castien, director
Anna Elisa Catharina von Hellberg, director

Auditors

Vadskær Krømmelbein
Statsautoriseret Revisionsanpartsselskab
Vibeholms Allé 16
2605 Brøndby

Management's review

Business review

The objective of the company is to sell handmade ceramics and other, in the discretion of the executive board, thereby associated activities.

Financial review

The company's income statement for the year ended 31 December 2022 shows a loss of DKK 218.418, and the balance sheet at 31 December 2022 shows negative equity of DKK 178.418.

Equity at 31 December 2022 was negative DKK 178.418 and the company has, therefore, lost more than 50% of the share capital. Thus, the company is comprised with the rules on capital loss in the Danish Companies Act § 119. It is the management's assessment that the company will be able to restore equity through its own operations.

The company's capital loss is further described in note 1.

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 Motel a Miio Copenhagen ApS for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B and the Accounting Standard on small enterprises, as well as provisions applying to reporting class C entities.

The annual report for 2021/22 is presented in DKK

As 2021/22 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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Income statement

Gross profit

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

Accounting policies

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.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

The company has chosen IAS 18 as interpretation for revenue recognition.

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 sale, advertising, administration, premises etc.

Staff costs

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.

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.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to realised and unrealised capital/exchange gains and losses on liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Accounting policies

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Assets costing less than DKK 31.000 are expensed in the year of acquisition.

Deposits

Other financial assets which consist of rent deposits, are measured at fair value at the balance sheet date.

Inventory

Inventories are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

The net realisable value of inventories is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Impairment of fixed assets

The carrying amount of items of property, plant and equipment is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

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 29 October 2021 - 31 December 2022

| | <u>Note</u> | <u>2021/22</u> DKK |
|--|-------------|-------------------------------|
| Gross profit | | 616.014 |
| Staff costs | 2 | <u>-741.643</u> |
| Profit/loss before amortisation/depreciation and impairment losses | | -125.629 |
| Depreciation, amortisation and impairment of intangible assets and property, plant and equipment | | <u>-79.184</u> |
| Profit/loss before net financials | | -204.813 |
| Financial costs | | <u>-13.605</u> |
| Profit/loss before tax | | -218.418 |
| Tax on profit/loss for the year | | <u>0</u> |
| Profit/loss for the year | | <u><u>-218.418</u></u> |
| Recommended appropriation of profit/loss | | |
| Retained earnings | | <u>-218.418</u> |
| | | <u><u>-218.418</u></u> |

Balance sheet at 31 December 2022

| | <u>Note</u> | <u>2021/22</u> DKK |
|--|-------------|--------------------------------|
| Assets | | |
| Other fixtures and fittings, tools and equipment | | <u>316.734</u> |
| Tangible assets | 3 | <u>316.734</u> |
| Deposits | 4 | <u>500.000</u> |
| Fixed asset investments | | <u>500.000</u> |
| Total non-current assets | | <u>816.734</u> |
| Finished goods and goods for resale | | <u>174.675</u> |
| Inventories | | <u>174.675</u> |
| Other receivables | | <u>33.948</u> |
| Receivables | | <u>33.948</u> |
| Cash at bank and in hand | | <u>736.225</u> |
| Total current assets | | <u>944.848</u> |
| Total assets | | <u><u>1.761.582</u></u> |

Balance sheet at 31 December 2022

| | <u>Note</u> | <u>2021/22</u> DKK |
|-------------------------------------|-------------|--------------------------------|
| Equity and liabilities | | |
| Share capital | | 40.000 |
| Retained earnings | | <u>-218.418</u> |
| Equity | | <u>-178.418</u> |
| Trade payables | | 201.649 |
| Payables to subsidiaries | | 1.617.292 |
| Other payables | | <u>121.059</u> |
| Total current liabilities | | <u>1.940.000</u> |
| Total liabilities | | <u>1.940.000</u> |
| Total equity and liabilities | | <u><u>1.761.582</u></u> |
| Contingent liabilities | 5 | |

Statement of changes in equity

| | <u>Share capital</u> | <u>Retained earnings</u> | <u>Total</u> |
|-----------------------------------|----------------------|--------------------------|------------------------|
| Equity at 29 October 2021 | 40.000 | 0 | 40.000 |
| Net profit/loss for the year | 0 | -218.418 | -218.418 |
| Equity at 31 December 2022 | <u>40.000</u> | <u>-218.418</u> | <u>-178.418</u> |

Notes

1 Uncertainty about the continued operation (going concern)

Equity at 31 December 2022 was negative DKK 178.418 and the company has, therefore, lost more than 50% of the share capital. It is the management's assessment that the company will be able to restore its equity through its own operations in the coming years.

| | <u>2021/22</u> |
|-----------------------------|-----------------------|
| | DKK |
| 2 Staff costs | |
| Wages and salaries | 732.461 |
| Other social security costs | <u>9.182</u> |
| | <u>741.643</u> |
| | |
| Average number of employees | <u>3</u> |

3 Tangible assets

| | <u>Other fixtures and fittings, tools and equipment</u> |
|--|---|
| Cost at 29 October 2021 | 0 |
| Additions for the year | <u>395.918</u> |
| Cost at 31 December 2022 | <u>395.918</u> |
| | |
| Impairment losses and depreciation at 29 October 2021 | 0 |
| Depreciation for the year | <u>79.184</u> |
| Impairment losses and depreciation at 31 December 2022 | <u>79.184</u> |
| | |
| Carrying amount at 31 December 2022 | <u>316.734</u> |

Notes

4 Fixed asset investments

| | <u>Deposits</u> |
|--|------------------------------|
| Cost at 29 October 2021 | 0 |
| Additions for the year | <u>500.000</u> |
| Cost at 31 December 2022 | <u>500.000</u> |
| Carrying amount at 31 December 2022 | <u><u>500.000</u></u> |

5 Contingent liabilities

The company has entered a rent lease agreement with a outstanding lease in the non-cancellation period of DKK 4,369,579.