

Annual Report

Designit Sweden AB

Corporate ID No. 556732-6870

Financial year 2019-04-01 - 2020-03-31

This financial report is a translation from the official Swedish annual report.

Annual Report for the Financial Year 2019-04-01 - 2020-03-31

The Board of Directors for Designit Sweden AB hereby submit the following annual financial statement.

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Company headquarters: Stockholm

The company's reporting currency: Swedish Krona (SEK)

Unless otherwise stated, all amounts are posted in Swedish kronor (SEK).

Directors' Report

Operations

General Information about the Enterprise

The company is engaged in design activities for products in various industries such as the medical industry and the white goods industry.

The company is wholly owned subsidiary of Designit A / S (35398910), based in Copenhagen, Denmark.

The company is based in Stockholm.

Important Occurrences during the Fiscal Year

Capital deficiency and control balance sheet

The company's equity has, during the financial year, amounted to less than half of the registered share capital, and the company have with this been obliged to prepare a control balance sheet. To date, a balance sheet has not been provided by the company, resulting in the members of the board jointly being responsible (legally liable) for all debts and obligations that have arisen in the company during this period.

As of 31 March 2020, the share capital has been restored. This is evident from the balance sheet of the annual report, which also constitutes a control balance sheet in accordance with the Companies Act (2005: 551). The Annual General Meeting therefore has to make the decision that the first control General Meeting normally takes.

Multi-year overview (Tkr)	2019/20	2018/19	2017/18	2016/17
Net turnover	55 660	56 599	30 505	22 573
Profit/loss after financial items	-26 240	5 065	-3 352	-1 825
Balance sheet total	14 998	22 614	11 729	9 976
Equity/assets ratio (%)	29,9	23,0	1,2	4,0

For definitions of key ratios, see Note 1 Accounting principles.

Changes in Equity

	Share capital	Retained profit/loss	Profit/loss this year	Total
Amount at the opening of the year	100 000	44 262	5 065 484	5 209 746
Appropriation of earnings as per decision of the Annual General Meeting: Shareholders'		5 065 484	-5 065 484	0
contributions received		25 900 000		25 900 000
		-387 728		-387 728
Profit/loss for the year			-26 239 750	-26 239 750
Amount at the closing of the year	100 000	30 622 018	-26 239 750	4 482 268

No refunded conditional liability amounts at the balance sheet date to 6 784 316 (6 784 316) SEK. Non refunded non-conditional contributions amounts to 25 900 000 (0) SEK.

Allocation of profits

The Board of Directors recommends that the profit/loss and brought forward profits available for disposition (SEK):

profit carried forward	30 622 018
year's loss	-26 239 750
	4 382 268

be distributed so that they are carried over	4 382 268
	4 382 268

Income Statement	Note	2019-04-01 -2020-03-31	2018-04-01 -2019-03-31
<i>Revenue, changes in stock etc</i>			
Net turnover		55 660 361	56 599 261
Total operating income, change of stock goods etc.		55 660 361	56 599 261
<i>Operating expenses</i>			
Goods for resale		-38 169 064	-17 297 768
Other external costs		-9 933 102	-8 572 394
Personnel costs	2	-30 460 829	-25 055 964
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets		-1 296 975	-807 358
Other operating expenses		-2 178 600	-592 559
Total operating costs		-82 038 570	-52 326 043
Operating profit/loss		-26 378 209	4 273 218
Financial items			
Other interest income and similar profit/loss items		803 467	870 471
Interest expense and similar profit/loss items	3	-665 008	-78 205
Total profit/loss from financial items		138 459	792 266
Profit/loss after financial items		-26 239 750	5 065 484
Pre-tax profit/loss		-26 239 750	5 065 484
Net profit/loss for the year		-26 239 750	5 065 484

Balance Sheet	Note	2020-03-31	2019-03-31
ASSETS			
<i>Fixed assets</i>			
<i>Tangible fixed assets</i>			
Equipment, tools and installations	4	2 022 622	441 198
Expenditures for improvement on another's property	5	2 872 121	935 128
Total tangible fixed assets		4 894 743	1 376 326
Total fixed assets		4 894 743	1 376 326
<i>Current assets</i>			
<i>Inventories etc</i>			
Work in progress on behalf of others		6 999 126	377 772
Total inventories, etc.		6 999 126	377 772
<i>Current receivables</i>			
Accounts receivable		2 255 327	3 872 110
Receivables from group companies		0	16 247 086
Other receivables		327 264	705 104
Total current receivables		2 582 591	20 824 300
<i>Cash on hand and in bank</i>			
Cash on hand and in bank		521 136	35 636
Total cash on hand and in bank		521 136	35 636
Total current assets		10 102 853	21 237 708
TOTAL ASSETS		14 997 596	22 614 034

Balance Sheet	Note	2020-03-31	2019-03-31
EQUITY AND LIABILITIES			
<i>Equity</i>			
<i>Restricted reserves</i>			
Share capital		100 000	100 000
Total restricted reserves		100 000	100 000
<i>Non-restricted equity</i>			
Accumulated profit/loss		30 622 018	44 262
Profit/loss for the year		-26 239 750	5 065 484
Total non-restricted reserves		4 382 268	5 109 746
Total equity		4 482 268	5 209 746
<i>Current liabilities</i>			
Accounts payable		1 686 236	3 163 790
Liabilities to group companies		6 370 418	11 953 346
Other liabilities		1 076 055	111 571
Accrued expenses and deferred income		1 382 619	2 175 581
Total current liabilities		10 515 328	17 404 288
TOTAL EQUITY AND LIABILITIES		14 997 596	22 614 034

Notes

Note 1 Accounting principles

General Information

The annual report is drawn up in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board (BFNAR 2016:10) Annual Reporting in Smaller Companies.

Service and construction contracts

The company's revenues from commissions on a fixed price are posted according to the main rule.

The conversion of the records in foreign currency

Receivables and liabilities in foreign currencies have been valued at the closing day rate. Exchange gains and losses on operating receivables and operating liabilities are reported in operating profit, while exchange gains and losses on financial receivables and liabilities are reported as financial items.

Fixed assets

The following depreciation time is applied:

Equipment, tools and installations	2-5 years
Expenditures for improvement on another's property	7 years

Definition of Key Business Ratios

Net turnover

Main operating revenues, invoiced expenses, side income and revenue adjustments.

Profit/loss after financial items

Profits after financial items and costs but before appropriations and taxes.

Balance sheet total

Company's gathered assets.

Equity/assets ratio (%)

Adjusted equity (equity and untaxed reserves with deductions for deferred tax) as a percent of the balance sheet total.

Note 2 Average number of employees

	2019-04-01 -2020-03-31	2018-04-01 -2019-03-31
Average number of employees	36	25

Note 3 Other interest income and similar profit/loss items

	2019-04-01	2018-04-01
	-2020-03-31	-2019-03-31
Interest expenses to group companies	-653 277	-70 350
Other interest expenses	-11 731	-7 855
	-665 008	-78 205

Note 4 Equipment, Tools and Installations

	2020-03-31	2019-03-31
Acquisition value, opening balance	1 455 856	1 102 488
Purchasing	2 219 685	394 137
Sales/discards	-611 685	-40 769
Accumulated acquisition value, closing balance	3 063 856	1 455 856
Depreciation, opening balance	-1 014 658	-628 150
Sales/discards	607 722	25 645
Depreciation for the year	-634 298	-412 153
Accumulated depreciation, closing balance	-1 041 234	-1 014 658
Book value, closing balance	2 022 622	441 198

Note 5 Expenditures for improvement on another's property

	2020-03-31	2019-03-31
Acquisition value, opening balance	2 269 968	2 198 524
Purchasing	2 735 410	71 444
Accumulated acquisition value, closing balance	5 005 378	2 269 968
Depreciation, opening balance	-1 334 840	-936 657
Depreciation for the year	-798 417	-398 183
Accumulated depreciation, closing balance	-2 133 257	-1 334 840
Book value, closing balance	2 872 121	935 128

Note 6 Information on the parent company

The company is wholly owned subsidiary of Designit A / S (35398910), based in Copenhagen, Denmark.

Note 7 Significant events after the financial year

During March 2020, several EU countries, including Sweden declared a state of emergency due to the Covid-19 pandemic implementing a series of measures restricting the freedom of movement of citizens. Subsequently, the Swedish government implemented tax, employment and economic measures to support businesses and protect jobs.

In response Designit, both at global and local level, implemented contingency plans/initiatives and controls to manage the crisis and ensure that the company operates as close to normality as possible. The Company's Management, albeit the uncertainties around making short and long time assessment, has made a preliminary evaluation of the current situation according to the best available information, as follows:

Liquidity risk: it is expected that the general situation of the markets could lead to increased liquidity challenges in the economy as well as a contraction in the credit markets. Designit Sweden AB will draw on the resources of its parent company for any liquidity requirements.

Operations risk: Designit's systems (ERP and communication) has allowed the company to quickly adapt to the crisis and has been able to continue providing services to clients on-line. Projects are being developed and delivered, although it is difficult to make detailed assessment of the possible impact of COVID-19 in the short and long term. There is the risk that new projects will be postponed or cancelled, the impact of which is difficult to estimate with the available information. The company has implemented cost initiatives (including leases, external services and staff costs) to minimize the impact of COVID19 on the profit and loss statement for FY2021.

Going concern: taking into account all the aforementioned factors and the support from its parent company, the Company's Management considers the entity to be a going concern.

Stockholm 29.05.20

SD

Ashish Chawla
Chairman

SD

Christian Søggaard

Our auditor's report was submitted 29/05/20

Ernst & Young AB

SD

Linn Haslum Lindgren
Authorized Public Accountant

Annual Report

Designit Sweden AB

Corporate ID No. 556732-6870

Financial Year 2019-04-01 - 2020-03-31

Confirmation affidavit

The undersigned member of Board of Directors in Designit Sweden AB hereby certify that the income statement and balance sheet in the annual report have been confirmed at the Annual General Meeting *29/05/20*. The Annual General Meeting also decided to approve the result dispositions recommended by the Board of Directors.

I also certify that the contents of the annual report and the audit report are in accordance with the originals.

Stockholm *29/05/20*

SD

Ashish Chawla