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ASTEP ApS

Esplanaden 6,

1263 København K

CVR No. 36053097

Annual Report 2024

11. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 24 June 2025

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Alessandro Ilin Ippolito Sarfatti
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of ASTEP ApS for the financial year 1 January 2024 - 31 December 2024.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January 2024 - 31 December 2024.

In our opinion, the 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 K, 16 June 2025

Executive Board

Alessandro Ilin Ippolito Sarfatti
Man. Director

The independent practitioner's report

To the shareholders of ASTEP ApS

Conclusion

We have performed an extended review of the financial statements of ASTEP ApS for the financial year 2024, which comprise a summary of significant accounting policies, income statement, balance sheed and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January 2024 - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to uor audit of the financial statements 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.

Material uncertainty regarding going concern

Without modifying our conclusion, we draw attention to the fact that there is significant uncertainty regarding the company's ability to continue as a going concern. The company has negative equity and has incurred a loss in the financial year. Management has prepared budgets and declared that the owner will provide the necessary financial support. Based on this, the financial statements have been prepared on a going concern basis.

Management's responsibilities for the financial statements

Management is responsible for the preparation of the 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.

The independent practitioner's report

Statement on the Management's review
Management is responsible for the Management's review.

Our opinion 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.

Based on the work we have performed, we conclude that the 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 materially misstatement in the Management's review.

Glostrup, 16 June 2025

Optimal Revision Godkendt Revisionsvirksomhed
CVR-no. 19233383

Kim Hald Schütt
Registered Public Accountant
mne17145

Company details

Company	ASTEP ApS Esplanaden 6, 1263 København K
CVR No.	36053097
Financial year	1 January 2024 - 31 December 2024
Executive Board	Alessandro Ilin Ippolito Sarfatti
Auditors	Optimal Revision Godkendt Revisionsvirksomhed FSR - Danske Revisorer Produktionsvej 8 2600 Glostrup CVR-no.: 19233383

Management's Review

The Company's principal activities
In common with previous years, the company´s principal activities has been operating with industrial design and product design and other related activities.

Development in the activities and the financial situation of the Company
Development in activities and the financial situation
The Company's Income Statement of the financial year 1 January 2024 - 31 December 2024 shows a result of DKK -2.744.025 and the Balance Sheet at 31 December 2024 a balance sheet total of DKK 8.191.086 and an equity of DKK -4.377.922.

The year 2024 was a challenging one for the entire furniture and lighting design sector, and Astep was no exception. Despite our continuous efforts to strengthen our market position and invest in the future, we faced several factors that significantly impacted our financial performance.

One of the primary challenges was a reduction in sales translating to a decrease in absolute value. This decline reflected broader industry trends, with lower consumer demand and increased market competition affecting overall revenue.
In addition to the downturn in sales, other factors contributed to a loss in the result.

IT System Transition: On January 1, 2024, we implemented a new IT system to enhance operational efficiency and prepare for future growth. However, the **associated costs were significant**, and the transition required substantial internal adjustments.

Strategic Investments: Recognizing the importance of branding and product development, we engaged a **branding consultant** to refine our market position and guide the selection of upcoming product launches. While this investment will yield long-term benefits, it was an additional cost in 2024.

Showroom Renovation: To align with our brand's premium positioning and participate in **Copenhagen Design Week**, we undertook a **major showroom renovation**. This investment was essential for brand visibility and market relevance but added to our expenditures.

Rising Production Costs: Throughout the year, the **cost of products continued to rise**, further compressing our first margin and making profitability more difficult to sustain.

While these challenges have affected our financial results for 2024, they also represent strategic investments that position Astep for a stronger future. We remain committed to operational excellence, innovation, and maintaining the high standards that define our brand. Our focus in the coming year will be on improving efficiency, optimizing costs, and leveraging our investments to regain profitability.

Accounting Policies

Reporting Class
The annual report of ASTEP ApS for 2024 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency
The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement
The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss
The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Revenue
Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Accounting Policies

Other external expenses
Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Staff costs
Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc.

Amortisation and impairment of tangible and intangible assets
Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Properties	20-50 years	0%
Other fixtures and fittings, tools and equipment	3-10 years	0%
Leasehold improvements	5 years	0%

Land is not amortized.

Profit or loss resulting from the sale of intangible assets or property, plant and equipment is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the income statement under other operating income or expenses.

Financial income and expenses
Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year
Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance sheet

Property, plant and equipment
Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

Accounting Policies

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

The carrying amounts of property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortization and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

Long term investments and receivables
Deposits
Deposits are measured at cost.

Inventories
Inventories are measured at cost on the basis of the FIFO principle. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

The net realizable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

Receivables
Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Supply of services in progress
Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the reporting date and total expected income from the work in progress.

Where it is difficult to determine a reliable selling price, the selling price is measured at the lower of costs incurred and the net realizable value.

Work in progress is recognised in the balance sheet under receivables or payables depending on the net value of the selling price less invoicing on account.

Prepayments from customers are recognised under liabilities.

Advertising from promotional costs and costs of negotiating contracts are expensed incurred.

Accounting Policies

Accrued income, assets
Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity
Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Liabilities
Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Other payables
Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Accruals and deferred income entered as liabilities
Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities
Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2024 kr.	2023 kr.
Gross profit		**1.796.052**	**4.671.103**
Other employee expense	1	-3.814.400	-3.937.979
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-332.427	-243.187
Profit from ordinary operating activities		**-2.350.775**	**489.936**
Finance income		8.489	28.441
Other finance expenses		-401.737	-298.676
Profit from ordinary activities before tax		**-2.744.023**	**219.701**
Profit		**-2.744.023**	**219.701**

Proposed distribution of results			
Retained earnings		-2.744.023	219.701
Distribution of profit		**-2.744.023**	**219.701**

Balance Sheet as of 31 December

	Note	2024 kr.	2023 kr.
Assets			
Fixtures, fittings, tools and equipment		716.145	875.669
Leasehold improvements		779.284	901.436
Property, plant and equipment		**1.495.429**	**1.777.104**
Deposits, investments		338.660	339.079
Investments		**338.660**	**339.079**
Fixed assets		**1.834.089**	**2.116.183**
Manufactured goods and goods for resale		4.378.241	6.817.473
Prepayments for goods		31.286	55.255
Inventories		**4.409.527**	**6.872.728**
Short-term trade receivables		784.393	571.359
Contract work in progress		769.882	0
Other short-term receivables		21	306.983
Deferred income		38.028	188.428
Receivables		**1.592.324**	**1.066.769**
Cash and cash equivalents		**355.146**	**831.602**
Current assets		**6.356.996**	**8.771.099**
Assets		**8.191.086**	**10.887.282**

Balance Sheet as of 31 December

	Note	2024 kr.	2023 kr.
Liabilities and equity			
Contributed capital		62.091	62.091
Retained earnings		-4.440.013	-1.695.990
Equity		**-4.377.922**	**-1.633.899**
Payables to group enterprises		4.829.660	4.045.155
Other payables		324.805	311.216
Long-term liabilities other than provisions	2	**5.154.464**	**4.356.371**
Debt to banks		2.042.607	2.175.946
Prepayments received from customers		1.038.585	645.245
Trade payables		3.962.649	4.836.596
Other payables		282.982	275.346
Deferred income, liabilities		87.721	231.678
Short-term liabilities other than provisions		**7.414.544**	**8.164.811**
Liabilities other than provisions within the business		**12.569.008**	**12.521.182**
Liabilities and equity		**8.191.086**	**10.887.282**

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Notes

	2024	2023
1. Employee benefits expense		
Wages and salaries	3.134.890	3.221.793
Post-employement benefit expense	413.292	417.209
Social security contributions	36.659	28.714
Other employee expense	229.559	270.263
Personaleomkostninger i alt	**3.814.400**	**3.937.979**
Average number of employees	7	7

2. Long-term liabilities other than provisions

Long-term liabilities due after more than 12 months T.DKK 4.167.

3. Uncertainties relating to going concern

The company has current liabilities that exceed its current assets. Management notes that the capital owner has issued a letter of support, committing to provide sufficient liquidity to enable the company to meet its obligations as they fall due. The letter is valid until the general meeting in 2026. Accordingly, the management has prepared the annual report on the assumption of the company's continued operations (going concern).

4. Contingent assets

The company has a deferred tax asset of TDKK 1.037 calculated at a tax rate of 22% that is not recognized in the financial statements. There is uncertainty about the utilization of the asset. The tax asset primaryly relates to tax losses and the differences between accounting and tax values for other intangible assets, leasehold improvements and other fixtures and fitting tools and equipment.

5. Contingent liabilities

Total liabilities for rental and lease agreements amount T.DKK 2.294.

There is a pending court case for the company which may have an impact of t.kr. 100.

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation.
The total amount appears from the annual report of Sarfatti ApS which is the administration company in the joint taxation.

6. Collaterals and securities

There is a payment guarantee for Danske Bank for TDKK 521.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Alessandro Ilin Ippolito Sarfatti
Direktør
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Kim Hald Schütt
Godkendt revisor
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Alessandro Ilin Ippolito Sarfatti
Dirigent
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