BUUS JENSEN
Statsautoriserede
Revisorer

Sleep in Heaven ApS

Struenseegade 7, 2200 København N

Company reg. no. 21 41 97 37

Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 29 June 2023.

Rossanna Pozada-Alva
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Executive Board has approved the annual report of Sleep in Heaven ApS for the financial year 1 January - 31 December 2022.

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 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

The Executive Board consider the conditions for audit exemption of the 2022 financial statements to be met.

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.

Copenhagen, 23 June 2023

Executive board

Oscar Vera Guardiola

Rossanna Pozada-Alva

Practitioner's compilation report

To the Shareholders of Sleep in Heaven ApS

We have compiled the financial statements of Sleep in Heaven ApS for the financial year 1 January - 31 December 2022 based on the company's bookkeeping and on information you have provided.

These financial statements comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 23 June 2023

BUUS JENSEN
State Authorised Public Accountants
Company reg. no. 16 11 90 40

Ulrik Nørskov
State Authorised Public Accountant
mne29456

Company information

The company	Sleep in Heaven ApS Struenseegade 7 2200 København N	
	Company reg. no.	21 41 97 37
	Established:	13 October 1998
	Domicile:	Copenhagen
	Financial year:	1 January - 31 December
Executive board	Oscar Vera Guardiola Rossanna Pozada-Alva	
Auditors	BUUS JENSEN, Statsautoriserede revisorer	
Parent company	Easy Travel Copenhagen ApS, Copenhagen	

The principal activities of the company

Like previous years, the activities are providing hostel services for the youth in Copenhagen.

Development in activities and financial matters

The result of the year after tax totals DKK 493.000 against DKK 11.000 last year. Management considers the net profit or loss for the year satisfactory.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2022	2021
	Gross profit	**2.308.170**	**1.567.205**
2	Staff costs	-1.133.333	-981.866
	Depreciation and impairment of property, land, and equipment	-495.323	-514.855
	Operating profit	**679.514**	**70.484**
3	Other financial expenses	-45.976	-56.679
	Pre-tax net profit or loss	**633.538**	**13.805**
4	Tax on net profit or loss for the year	-140.900	-2.965
	Net profit or loss for the year	**492.638**	**10.840**
	Proposed distribution of net profit:		
	Transferred to retained earnings	492.638	10.840
	Total allocations and transfers	**492.638**	**10.840**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2022	2021
	Non-current assets		
5	Other fixtures, fittings, tools and equipment	96.000	263.650
6	Leasehold improvements	911.031	1.238.704
	Total property, plant, and equipment	1.007.031	1.502.354
7	Deposits	418.585	407.993
	Total investments	418.585	407.993
	Total non-current assets	**1.425.616**	**1.910.347**
	Current assets		
	Trade receivables	113.839	19.171
	Receivables from group enterprises	180.281	0
	Total receivables	294.120	19.171
	Cash and cash equivalents	2.218.533	1.751.552
	Total current assets	**2.512.653**	**1.770.723**
	Total assets	**3.938.269**	**3.681.070**

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities

Note		2022	2021
	Equity		
	Contributed capital	125.000	125.000
	Retained earnings	2.685.090	2.192.452
	Total equity	**2.810.090**	**2.317.452**
	Provisions		
	Provisions for deferred tax	162.700	21.800
	Total provisions	**162.700**	**21.800**
	Liabilities other than provisions		
	Other mortgage loans	232.727	407.927
	Other payables	0	53.969
8	Total long term liabilities other than provisions	232.727	461.896
8	Current portion of long term liabilities	175.200	308.625
	Trade payables	112.155	80.692
	Payables to group enterprises	0	134.094
	Other payables	445.397	356.511
	Total short term liabilities other than provisions	732.752	879.922
	Total liabilities other than provisions	**965.479**	**1.341.818**
	Total equity and liabilities	**3.938.269**	**3.681.070**

1 Special items

9 Charges and security

10 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2021	125.000	2.181.612	2.306.612
Retained earnings for the year	0	10.840	10.840
Equity 1 January 2022	125.000	2.192.452	2.317.452
Retained earnings for the year	0	492.638	492.638
	125.000	**2.685.090**	**2.810.090**

Notes

All amounts in DKK.

1. 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.

	2022	2021
Income:		
COVID-19-reliefs	428.484	1.701.190
	428.484	1.701.190
Special items are recognised in the following items in the financial statements:		
Gross profit / Other operating income	428.484	1.701.190
Profit of special items, net	**428.484**	**1.701.190**

2. Staff costs

	2022	2021
Salaries and wages	1.102.421	936.348
Pension costs	0	16.456
Other costs for social security	30.912	29.062
	1.133.333	**981.866**
Average number of employees	4	4

3. Other financial expenses

	2022	2021
Other financial costs	45.976	56.679
	45.976	**56.679**

Notes

All amounts in DKK.

		2022	2021
4.	**Tax on net profit or loss for the year**		
	Tax on net profit or loss for the year	0	0
	Adjustment of deferred tax for the year	140.900	2.965
		140.900	**2.965**
5.	**Other fixtures, fittings, tools and equipment**		
	Cost 1 January 2022	929.896	929.896
	Cost 31 December 2022	**929.896**	**929.896**
	Amortisation and write-down 1 January 2022	-666.246	-484.907
	Amortisation and depreciation for the year	-167.650	-181.339
	Amortisation and write-down 31 December 2022	**-833.896**	**-666.246**
	Carrying amount, 31 December 2022	**96.000**	**263.650**
6.	**Leasehold improvements**		
	Cost 1 January 2022	5.380.766	5.380.766
	Additions during the year	0	0
	Disposals during the year	0	0
	Cost 31 December 2022	**5.380.766**	**5.380.766**
	Depreciation and writedown 1 January 2022	-4.142.062	-3.808.546
	Amortisation and depreciation for the year	-327.673	-333.516
	Depreciation and writedown 31 December 2022	**-4.469.735**	**-4.142.062**
	Carrying amount, 31 December 2022	**911.031**	**1.238.704**

All amounts in DKK.

		31/12 2022	31/12 2021
7.	**Deposits**		
	Cost 1 January 2022	407.993	401.783
	Additions during the year	10.592	6.210
	Cost 31 December 2022	**418.585**	**407.993**

8. Long term labilities other than provisions

	Total payables 31 Dec 2022	Current portion of long term payables	Long term payables 31 Dec 2022	Outstanding payables after 5 years
Other mortgage loans	407.927	175.200	232.727	0
	407.927	**175.200**	**232.727**	**0**

9. Charges and security

For bank loans, DKK 408.000, the company has provided security in company assets representing a nominal value of DKK 300.000. This security comprises the assets below, stating the carrying amounts:

	DKK in thousands
Tools and equipments (incl. leasehold improvements)	1.007
Trade receivables	114

Notes

All amounts in DKK.

10. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into leasehold premises with an average annual lease payment of DKK 837.000. The leases have a maturity obligation of 6 months which equals a total outstanding lease payments of DKK 419.000.

Joint taxation

With Easy Travel Copenhagen ApS, company reg. no 42 03 47 38 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

Accounting policies

The annual report for Sleep in Heaven 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, writedowns 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.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

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.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

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 as well as operating loss and conflict compensation. Furthermore, this item comprises received subsidies, damages, and compensation due to the coronavirus situation. 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 writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

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.

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.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown 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:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

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.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciations. Depreciation is done on a straightline basis over the estimated useful life of the asset, which is set at 5 years.

Investments

Deposits

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

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

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

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

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.

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.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Sleep in Heaven ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

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.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

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

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

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