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# ***CHORA GRUPPEN A/S***

Høegh-Guldbergs Gade 69, DK-8000 Aarhus C

## **Annual Report for 1 January - 31 December 2018**

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CVR No 27 17 12 14

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
28/5 2019

Jacob Jakobsen  
Chairman of the General  
Meeting



**pwc**

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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of CHORA GRUPPEN A/S for the financial year 1 January - 31 December 2018.

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 financial position at 31 December 2018 of the Company and of the results of the Company operations for 2018.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aarhus, 28 May 2019

## Executive Board

Jacob Jakobsen

## Board of Directors

Søren Bruun Rasmussen

Jacob Jakobsen

Katja Bjørn Jakobsen

Thomas Fabricius

Mark Fitzhugh

# Independent Auditor's Report

To the Shareholders of CHORA GRUPPEN A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of CHORA GRUPPEN A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

Based on the work we have performed, in our view, 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 material misstatement in Management's Review.

## 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 misstate-

# Independent Auditor's Report

ment, 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.

## **Auditor's responsibilities for the audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events

# Independent Auditor's Report

in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aarhus, 28 May 2019

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Mads Meldgaard  
statsautoriseret revisor  
mne24826

Tina Østerby Najbjerg  
statsautoriseret revisor  
mne33802

## **Company Information**

### **The Company**

CHORA GRUPPEN A/S  
Høegh-Guldbergs Gade 69  
DK-8000 Aarhus C  
E-mail: chora@chora.dk

CVR No: 27 17 12 14  
Financial period: 1 January - 31 December  
Municipality of reg. office: Aarhus

### **Board of Directors**

Søren Bruun Rasmussen  
Jacob Jakobsen  
Katja Bjørn Jakobsen  
Thomas Fabricius  
Mark Fitzhugh

### **Executive Board**

Jacob Jakobsen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Nobelparken  
Jens Chr. Skous Vej 1  
DK-8000 Aarhus C

## **Management's Review**

Financial Statements of CHORA GRUPPEN A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

### **Key activities**

The Company's primary activity is to hold investments in other companies and related activities.

### **Development in the year**

The income statement of the Company for 2018 shows a loss of DKK 3,508,248, and at 31 December 2018 the balance sheet of the Company shows equity of DKK 9,205,261.

### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 January - 31 December

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Other external expenses		-28.583	-45.286
<b>Gross profit/loss</b>		<b>-28.583</b>	<b>-45.286</b>
Income from investments in subsidiaries		-3.463.487	2.125.820
Financial income	1	816	114.536
Financial expenses	2	-16.994	-126.000
<b>Profit/loss before tax</b>		<b>-3.508.248</b>	<b>2.069.070</b>
Tax on profit/loss for the year	3	0	12.455
<b>Net profit/loss for the year</b>		<b>-3.508.248</b>	<b>2.081.525</b>

## Distribution of profit

### Proposed distribution of profit

Reserve for net revaluation under the equity method		-3.463.487	2.125.820
Retained earnings		-44.761	-44.295
		<b>-3.508.248</b>	<b>2.081.525</b>

## Balance Sheet 31 December

### Assets

	Note	2018 DKK	2017 DKK
Investments in subsidiaries	4	9.575.575	13.039.061
<b>Fixed asset investments</b>		<b>9.575.575</b>	<b>13.039.061</b>
<b>Fixed assets</b>		<b>9.575.575</b>	<b>13.039.061</b>
Receivables from group enterprises		27.977	3.881.214
Corporation tax		9.848	8.255
<b>Receivables</b>		<b>37.825</b>	<b>3.889.469</b>
<b>Værdipapirer</b>		<b>4.656</b>	<b>3.840</b>
<b>Cash at bank and in hand</b>		<b>51.639</b>	<b>90.432</b>
<b>Currents assets</b>		<b>94.120</b>	<b>3.983.741</b>
<b>Assets</b>		<b>9.669.695</b>	<b>17.022.802</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2018 DKK	2017 DKK
Share capital		617.222	617.222
Reserve for net revaluation under the equity method		6.746.120	10.209.607
Retained earnings		1.841.919	1.886.680
<b>Equity</b>	5	<b>9.205.261</b>	<b>12.713.509</b>
Payables to group enterprises		435.586	4.293.043
Corporation tax		9.848	0
Other payables		19.000	16.250
<b>Short-term debt</b>		<b>464.434</b>	<b>4.309.293</b>
<b>Debt</b>		<b>464.434</b>	<b>4.309.293</b>
<b>Liabilities and equity</b>		<b>9.669.695</b>	<b>17.022.802</b>
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## Statement of Changes in Equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	617.222	10.209.607	1.886.680	12.713.509
Net profit/loss for the year	0	-3.463.487	-44.761	-3.508.248
<b>Equity at 31 December</b>	<b>617.222</b>	<b>6.746.120</b>	<b>1.841.919</b>	<b>9.205.261</b>

## Notes to the Financial Statements

	2018 DKK	2017 DKK
<b>1 Financial income</b>		
Interest received from group enterprises	0	114.000
Other financial income	816	536
	<b>816</b>	<b>114.536</b>
<b>2 Financial expenses</b>		
Interest paid to group enterprises	16.800	126.000
Other financial expenses	194	0
	<b>16.994</b>	<b>126.000</b>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	0	-8.255
Deferred tax for the year	0	-4.200
	<b>0</b>	<b>-12.455</b>
<b>4 Investments in subsidiaries</b>		
Cost at 1 January	2.829.454	2.829.454
Cost at 31 December	2.829.454	2.829.454
Value adjustments at 1 January	10.209.607	13.083.787
Net profit/loss for the year	-3.383.486	2.125.820
Dividend to the Parent Company	0	-5.000.000
Amortisation of goodwill	-80.000	0
Value adjustments at 31 December	6.746.121	10.209.607
<b>Carrying amount at 31 December</b>	<b>9.575.575</b>	<b>13.039.061</b>

The carrying amount at 31. December 2018 includes goodwill of TDKK 400 (2017: TDKK 480)

## Notes to the Financial Statements

### 4 Investments in subsidiaries (continued)

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Chora A/S	Aarhus		100%	9.175.574	-3.383.487

### 5 Equity

The share capital is broken down as follow:

	Number	Nominal value DKK
A-shares	555.500	555.500
B-shares	61.722	61.722
		<b>617.222</b>

The share capital has developed as follows:

	2018 DKK	2017 DKK	2016 DKK	2015 DKK	2014 DKK
Share capital at 1 January	617.222	617.222	617.222	617.222	555.500
Capital increase	0	0	0	0	61.722
Capital decrease	0	0	0	0	0
<b>Share capital at 31 December</b>	<b>617.222</b>	<b>617.222</b>	<b>617.222</b>	<b>617.222</b>	<b>617.222</b>

## Notes to the Financial Statements

	<u>2018</u> DKK	<u>2017</u> DKK
<b>6 Contingent assets, liabilities and other financial obligations</b>		
<b>Guarantee obligations</b>		
Guarantee for debt in Chora A/S	6.114.056	0
<b>Other contingent liabilities</b>		

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Jacob Jakobsen Gruppen ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

# Notes to the Financial Statements

## 7 Accounting Policies

The Annual Report of CHORA GRUPPEN A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are 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 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.



# Notes to the Financial Statements

## 7 Accounting Policies (continued)

### Income Statement

#### Other external expenses

Other external expenses comprise administration costs.

#### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of other external expenses.

#### Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

#### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

### Balance Sheet

#### Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend

# Notes to the Financial Statements

## 7 Accounting Policies (continued)

distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Current asset investments

Current asset investments, which consist of shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.