

The Bird ApS
Gammel Strand 40, 2., 1202 København K
Company reg. no. 31 94 62 12
Annual report
1 January - 31 December 2018

The annual report was submitted and approved by the general meeting on the 14 June 2019.

Daniel Vesti Knuttel
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British 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 report

The executive board has today presented the annual report of The Bird ApS for the financial year 1 January to 31 December 2018.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

København K, 14 June 2019

Executive board

Daniel Vesti Knuttel

Lasse Jørgen Wiwe

Independent auditor's report

To the shareholders of The Bird ApS

Opinion

We have audited the annual accounts of The Bird ApS for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

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

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 14 June 2019

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Claus Carlsen

State Authorised Public Accountant
mne23451

Company data

The company

The Bird ApS
Gammel Strand 40, 2.
1202 København K

Company reg. no. 31 94 62 12
Financial year: 1 January - 31 December
10th financial year

Executive board

Daniel Vesti Knuttel
Lasse Jørgen Wiwe

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Parent company

The Bird Mother ApS

General meeting

Ordinary general meeting will be held on 14 June 2019 on the address of the company.

Management's review

The principal activities of the company

Like previous years, the company's purpose is to operate restaurants, bars, night clubs, etc.

Unusual matters

In the opinion of the management, there are no unusual circumstance.

Uncertainties as to recognition or measurement

In the opinion of management, there are no uncertainties regarding recognition and measurement.

Development in activities and financial matters

The gross profit for the year is DKK 3.625.000 against DKK 3.343.000 last year. The results from ordinary activities after tax are DKK 726.000 against DKK 717.000 last year. The management consider the results satisfactory.

Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
Gross profit	3.624.578	3.343.112
1 Staff costs	-2.325.045	-2.162.043
Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-320.300	-166.540
Results before net financials	979.233	1.014.529
Other financial income	81.367	0
2 Other financial costs	-127.347	-82.982
Results before tax	933.253	931.547
Tax on ordinary results	-207.249	-214.773
Results for the year	726.004	716.774
 Proposed distribution of the results:		
Allocated to results brought forward	726.004	716.774
Distribution in total	726.004	716.774

Balance sheet 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2018</u>	<u>2017</u>
Fixed assets		
3 Goodwill	350.000	0
Intangible fixed assets in total	<u>350.000</u>	<u>0</u>
4 Other plants, operating assets, and fixtures and furniture	260.667	327.488
5 Decoration rented premises	1.234.855	1.331.990
Tangible fixed assets in total	<u>1.495.522</u>	<u>1.659.478</u>
Deposits	270.674	260.361
Financial fixed assets in total	<u>270.674</u>	<u>260.361</u>
Fixed assets in total	<u>2.116.196</u>	<u>1.919.839</u>
Current assets		
Manufactured goods and trade goods	224.688	153.220
Inventories in total	<u>224.688</u>	<u>153.220</u>
Trade debtors	468.419	343.480
Amounts owed by group enterprises	11.124.382	1.646.378
Amounts owed by associated enterprises	59.515	0
Other debtors	180.259	0
Accrued income and deferred expenses	42.357	0
Debtors in total	<u>11.874.932</u>	<u>1.989.858</u>
Available funds	96.469	223.238
Current assets in total	<u>12.196.089</u>	<u>2.366.316</u>
Assets in total	<u>14.312.285</u>	<u>4.286.155</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2018</u>	<u>2017</u>
Equity			
6	Contributed capital	126.000	126.000
7	Results brought forward	2.058.429	1.322.567
8	Revaluation reserve	45.642	55.500
	Equity in total	2.230.071	1.504.067
Provisions			
	Provisions for deferred tax	106.023	103.000
	Provisions in total	106.023	103.000
Liabilities			
	Leasing liabilities	48.720	28.392
	Long-term liabilities in total	48.720	28.392
9	Liabilities	29.760	10.848
	Bank debts	3.819.291	0
	Trade creditors	701.296	797.548
	Debt to group enterprises	852.642	613.117
	Debt to associated enterprises	0	256.167
	Corporate tax	204.226	192.236
	Other debts	6.320.256	780.780
	Short-term liabilities in total	11.927.471	2.650.696
	Liabilities in total	11.976.191	2.679.088
	Equity and liabilities in total	14.312.285	4.286.155
10	Mortgage and securities		
11	Contingencies		

Notes

All amounts in DKK.

	<u>2018</u>	<u>2017</u>
1. Staff costs		
Salaries and wages	2.129.217	2.059.029
Pension costs	33.661	16.360
Other costs for social security	62.667	35.435
Other staff costs	99.500	51.219
	<u>2.325.045</u>	<u>2.162.043</u>
Average number of employees	<u>10</u>	<u>6</u>
2. Other financial costs		
Other financial costs	<u>127.347</u>	<u>82.982</u>
	<u>127.347</u>	<u>82.982</u>
3. Goodwill		
Additions during the year	<u>350.000</u>	<u>0</u>
Cost 31 December 2018	<u>350.000</u>	<u>0</u>
Book value 31 December 2018	<u>350.000</u>	<u>0</u>
4. Other plants, operating assets, and fixtures and furniture		
Cost 1 January 2018	690.972	597.432
Additions during the year	<u>73.065</u>	<u>93.540</u>
Cost 31 December 2018	<u>764.037</u>	<u>690.972</u>
Amortisation and writedown 1 January 2018	-363.484	-298.210
Depreciation for the year	<u>-139.886</u>	<u>-65.274</u>
Amortisation and writedown 31 December 2018	<u>-503.370</u>	<u>-363.484</u>
Book value 31 December 2018	<u>260.667</u>	<u>327.488</u>

Notes

All amounts in DKK.

	<u>31/12 2018</u>	<u>31/12 2017</u>
5. Decoration rented premises		
Cost 1 January 2018	1.704.069	914.652
Additions during the year	<u>83.279</u>	<u>789.417</u>
Cost 31 December 2018	<u>1.787.348</u>	<u>1.704.069</u>
Revaluation 1 January 2018	0	98.579
Revaluations for the year	<u>98.579</u>	<u>0</u>
Revaluation 31 December 2018	<u>98.579</u>	<u>98.579</u>
Depreciation and writedown 1 January 2018	-470.658	-369.392
Depreciation for the year	<u>-180.414</u>	<u>-101.266</u>
Depreciation and writedown 31 December 2018	<u>-651.072</u>	<u>-470.658</u>
Book value 31 December 2018	<u>1.234.855</u>	<u>1.331.990</u>
6. Contributed capital		
Contributed capital 1 January 2018	<u>126.000</u>	<u>126.000</u>
	<u>126.000</u>	<u>126.000</u>
7. Revaluation reserve		
Revaluation reserve 1 January 2018	55.500	130.716
Revaluations for the year	<u>-9.858</u>	<u>-75.216</u>
	<u>45.642</u>	<u>55.500</u>
8. Results brought forward		
Results brought forward 1 January 2018	1.322.567	595.935
Profit or loss for the year brought forward	726.004	716.774
Adjustment 1	<u>9.858</u>	<u>9.858</u>
	<u>2.058.429</u>	<u>1.322.567</u>

Notes

All amounts in DKK.

9. Liabilities

	Instalments first year	Outstanding debt after 5 years	Debt in total 31 Dec 2018	Debt in total 31 Dec 2017
Leasing liabilities	29.760	0	78.480	39.240
	29.760	0	78.480	39.240

10. Mortgage and securities

For bank debts the company has provided security in company assets representing a nominal value of DKK 2,000,000. This security comprises the below assets, stating the book values:

Inventories	DKK 225.000
Receivable from sales and services	DKK 468.000
Intangible fixed assets	DKK 350.000
Tangible fixed assets	DKK 1.496.000

11. Contingencies

Contingent liabilities

In addition to financial leasing contracts, the company has entered into operational leasing contracts with an average annual leasing payment of DKK 30,000.

Joint taxation

Nordic Hospitality Partners Denmark A/S, company reg. no 39427958 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

The company has left the joint taxation with its former parent company as March 31, 2018 and is therefore not liable for tax claims against the other companies in the joint taxation from the time of withdrawal from the joint taxation.

Accounting policies used

The annual report for The Bird ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed assets.

Accounting policies used

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

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

The balance sheet

Intangible fixed assets

Goodwill

Acquired goodwill is measured at cost with deduction of accumulated amortisation. As it is not possible to determine a reliable estimate of the useful life, the amortisation period is set at 10 years.

Tangible fixed assets

Other tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of 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 book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

Accounting policies used

The cost comprises the acquisition cost and costs directly attached to 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.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life :

	Useful life
Technical plants and machinery	5-10 years
Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Leasing contracts

At the first recognition in the balance sheet, leasing contracts concerning tangible fixed assets by which the company holds all essential risks and advantages attached to the proprietary right (financial leasing) are measured either at fair value or at the present value of the future leasing services, whichever value is lower. When calculating the present value, the internal interest rate of the leasing contract or alternatively the borrowing rate of the enterprise is used as discount rate. Afterwards, financially leased assets are treated in the same way as other similar tangible assets.

The capitalised residual leasing liability is recognised in the balance sheet as a liability, and the interest part of the leasing contract is recognised in the profit and loss account over the term of the contract.

All other leasing contracts are considered operational leasing. Payments in connection with operational leasing and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operational leasing and rental agreements are recognised under contingencies etc.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accounting policies used

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Revaluation reserves

Revaluations of land and buildings with deduction of deferred tax are recognised under revaluation reserves. The reserves are reduced when the value of revalued buildings is reduced due to depreciation. The reduction represents the difference between depreciation based on the revalued book value of the buildings and depreciation based on the original cost of the buildings. The reserves are dissolved partly or totally in case of sale of land and buildings and reduced in case of writedown of land and property.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting (the time of declaration).

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, The Bird ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, 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.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Accounting policies used

Liabilities

Also capitalised residual leasing liabilities in connection with financial leasing contracts are recognised in the financial liabilities.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.