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Viktoriagade Bar ApS

Humletorvet 27, 3.
1799 København V
Business Registration No
32297757

Annual report 2018

The Annual General Meeting adopted the annual report on 07.06.2019

Chairman of the General Meeting

Name: Mikkel Borg Bjergsø

Contents

Entity details

Entity

Viktoriagade Bar ApS
Humletorvet 27, 3.
1799 København V

Central Business Registration No (CVR): 32297757
Registered in: København
Financial year: 01.01.2018 - 31.12.2018

Executive Board

Mikkel Borg Bjergsø

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C
Lead Client Service Partner: Bjørn Winkler Jakobsen

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Viktoriagade Bar ApS for the financial year 01.01.2018 - 31.12.2018.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 07.06.2019

Executive Board

Mikkel Borg Bjergsø

Independent auditor's report

To the shareholder of Viktoriagade Bar ApS

Opinion

We have audited the financial statements of Viktoriagade Bar ApS for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

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 misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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:

Independent auditor's report

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent 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 internal control that we identify during our audit.

Statement on the management commentary
Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Copenhagen, 07.06.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Hans Tauby
State Authorised Public Accountant
Identification No (MNE) mne44339

Management commentary

Primary activities
The company's activities comprise in bar- and restaurant business.

Development in activities and finances
The income statement for 2018 shows a profit of DKK 1.596.561 against DKK 1.648.201 last year, whivh management considers satisfactory. The balance sheet shows an equity of DKK 3.009.891.

The company is part of the Bjergsø Group, which is a strong and well consolidated group. The company will receive support from the Group if needed.

Events after the balance sheet date
No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	Notes	2018 DKK	2017 DKK
Gross profit		**4.370.365**	**4.484.003**
Staff costs	1	(1.943.063)	(1.890.060)
Depreciation, amortisation and impairment losses	2	(381.307)	(452.345)
Operating profit/loss		**2.045.995**	**2.141.598**
Other financial income		2.537	66
Other financial expenses	3	(615)	(22.123)
Profit/loss before tax		**2.047.917**	**2.119.541**
Tax on profit/loss for the year	4	(451.356)	(471.340)
Profit/loss for the year		**1.596.561**	**1.648.201**
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		0	2.000.000
Retained earnings		1.596.561	(351.799)
		1.596.561	**1.648.201**

Balance sheet at 31.12.2018

	Notes	2018 DKK	2017 DKK
Acquired intangible assets		420.866	93.414
Goodwill		1.291.200	1.614.000
Intangible assets	5	**1.712.066**	**1.707.414**
Other fixtures and fittings, tools and equipment		114.013	37.042
Leasehold improvements		515.502	56.849
Property, plant and equipment	6	**629.515**	**93.891**
Deposits		149.574	72.278
Fixed asset investments	7	**149.574**	**72.278**
Fixed assets		**2.491.155**	**1.873.583**
Manufactured goods and goods for resale		714.469	974.273
Inventories		**714.469**	**974.273**
Trade receivables		256.357	207.766
Receivables from group enterprises		37.420	0
Other receivables		2.214	0
Prepayments		5.588	41.390
Receivables		**301.579**	**249.156**
Cash		**899.811**	**1.732.688**
Current assets		**1.915.859**	**2.956.117**
Assets		**4.407.014**	**4.829.700**

Balance sheet at 31.12.2018

	Notes	2018 DKK	2017 DKK
Contributed capital		80.000	80.000
Retained earnings		2.929.891	1.333.330
Proposed dividend		0	2.000.000
Equity		**3.009.891**	**3.413.330**
Deferred tax		329.802	366.651
Provisions		**329.802**	**366.651**
Trade payables		105.774	72.056
Payables to group enterprises		92.147	0
Joint taxation contribution payable		488.195	559.108
Other payables		381.205	418.555
Current liabilities other than provisions		**1.067.321**	**1.049.719**
Liabilities other than provisions		**1.067.321**	**1.049.719**
Equity and liabilities		**4.407.014**	**4.829.700**
Unrecognised rental and lease commitments	8		
Contingent liabilities	9		
Related parties with controlling interest	10		
Group relations	11		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	80.000	1.333.330	2.000.000	3.413.330
Ordinary dividend paid	0	0	(2.000.000)	(2.000.000)
Profit/loss for the year	0	1.596.561	0	1.596.561
Equity end of year	**80.000**	**2.929.891**	**0**	**3.009.891**

Notes

	2018 DKK	2017 DKK
1. Staff costs		
Wages and salaries	1.865.199	1.818.896
Other social security costs	48.011	41.754
Other staff costs	29.853	29.410
	1.943.063	**1.890.060**
Average number of employees	**6**	**6**

	2018 DKK	2017 DKK
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	345.348	322.800
Depreciation of property, plant and equipment	35.959	129.545
	381.307	**452.345**

	2018 DKK	2017 DKK
3. Other financial expenses		
Other interest expenses	615	22.123
	615	**22.123**

	2018 DKK	2017 DKK
4. Tax on profit/loss for the year		
Current tax	488.195	559.108
Change in deferred tax	(36.849)	(87.787)
Adjustment concerning previous years	10	19
	451.356	**471.340**

Notes

	Acquired intangible assets DKK	Goodwill DKK
5. Intangible assets		
Cost beginning of year	225.480	3.228.000
Additions	350.000	0
Cost end of year	**575.480**	**3.228.000**
Amortisation and impairment losses beginning of year	(132.066)	(1.614.000)
Amortisation for the year	(22.548)	(322.800)
Amortisation and impairment losses end of year	**(154.614)**	**(1.936.800)**
Carrying amount end of year	**420.866**	**1.291.200**

	Other fixtures and fittings, tools and equipment DKK	Leasehold improve-ments DKK
6. Property, plant and equipment		
Cost beginning of year	253.674	376.545
Additions	88.614	482.969
Cost end of year	**342.288**	**859.514**
Depreciation and impairment losses beginning of year	(216.632)	(319.696)
Depreciation for the year	(11.643)	(24.316)
Depreciation and impairment losses end of year	**(228.275)**	**(344.012)**
Carrying amount end of year	**114.013**	**515.502**

	Deposits DKK
7. Fixed asset investments	
Cost beginning of year	72.278
Additions	77.296
Cost end of year	**149.574**
Carrying amount end of year	**149.574**

Notes

	2018 DKK	2017 DKK
8. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	**121.864**	**73.000**

9. Contingent liabilities

The company has rent obligations. The contracts may be terminated at respectively three and six months' notice.

The Entity participates in a Danish joint taxation arrangement where Bjergsø Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore secondarily liable for income taxes etc for the jointly taxed entities, which is limited to the equity interest by which the entity participates in the Group, as well as secondarily liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

10. Related parties with controlling interest

It is the policy of the group to calculate and recognise interest based upon arms' length on intercompany transactions. However interests are not recognised on transactions between 100 % owned group companies within the Danish joint taxation. The payable amounts to DKK 92.147 at 31 December 2018.

11. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Bjergsø Holding ApS, København.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year. There has been made few changes in classification of the accounts and in the comparative figures.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of goods is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity’s primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Accounting policies

Other external expenses
Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs
Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses
Depreciation, amortisation and impairment losses relating to plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets as well as plant and equipment.

Other financial income
Other financial income comprises interest income.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet
Goodwill
Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc
Intellectual property rights etc comprise acquired intellectual property rights and prepayments for intangible assets.

Accounting policies

Intellectual property rights acquired are measured at cost less accumulated amortisation. Licences are amortised over the term of the agreement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Acquired rights	10 years

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts. Credit cards receivable are recognized as trade receivables

Accounting policies

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Dividend
Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

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

Joint taxation contributions payable or receivable
Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.