



The Barking Dog Trading Company ApS

**Sankt Hans Gade 19, kl. th.
2200 København N**

CVR no. 33 77 95 18

Annual report for 2017

(6th Financial year)

Adopted at the annual general
meeting on 13 May 2018

Jaroslav Jerzy Modzelewski
chairman

Contents

| | Page |
|---|-------------|
| Company details | 1 |
| Statements | |
| Statement by management on the annual report | 2 |
| Auditor's report on compilation of the financial statements | 3 |
| | |
| Management's review | |
| Management's review | 4 |
| | |
| Financial statements | |
| Accounting policies | 5 |
| Income statement 1 January 2017 - 31 December 2017 | 8 |
| Balance sheet at 31 December 2017 | 9 |
| Notes to the annual report | 11 |

Company details

The company

The Barking Dog Trading Company ApS
Sankt Hans Gade 19, kl. th.
2200 København N

CVR no.: 33 77 95 18

Reporting period: 1 January - 31 December 2017

Domicile: Copenhagen

Executive board

Carl-Frederik Daniel Wrangel, direktør
Jaroslaw Jerzy Modzelewski, adm. direktør

Auditors

Harboe & B.
Godkendt Revisionsanpartsselskab
Lersø Parkallé 107
2100 København Ø

Statement by management on the annual report

The executive board has today discussed and approved the annual report of The Barking Dog Trading Company ApS for the financial year 1 January - 31 December 2017.

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 company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management declares that the criteria for omission of audit are met.

Management recommends that the annual report should be approved at the annual general meeting.

Copenhagen, 13 May 2018

Executive board

Carl-Frederik Daniel Wrangel
direktør

Jaroslav Jerzy Modzelewski
adm. direktør

Auditor's report on compilation of the financial statements

To the shareholders of The Barking Dog Trading Company ApS

We have compiled the financial statements for the financial year 1 January - 31 December 2017 of The Barking Dog Trading Company ApS based on the company's bookkeeping and other information the enterprise have provided.

The financial statements comprises summary of significant accounting policies, income statement, balance sheet and notes.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Auditor Regulation and FSR – Danish Auditors' code of ethics, 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 the enterprise's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information enterprise 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, 13 May 2018

Harboe & B.
Godkendt Revisionsanpartsselskab
CVR no. 33 64 94 52

Mads Harboe Nørring
Godkendt revisor
MNE no. mne40120

Management's review

Business activities

The company's main activity is to operate a restaurant business, including the bar and the likes of that.

Business review

The Company's income statement for the year ended 31 December shows a profit of DKK 11.846, and the balance sheet at 31 December 2017 shows negative equity of DKK 48.913.

Accounting policies

The annual report of The Barking Dog Trading Company ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2017 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

Accounting policies

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Raw materials and consumables

Expenses for raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Accounting policies

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

| | | |
|--|---|-------|
| Other fixtures and fittings, tools and equipment | 4 | years |
| Leasehold improvements | 4 | years |

Assets costing less than DKK 13.200 are expensed in the year of acquisition.

Stocks

Stocks are measured using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Liabilities

Liabilities, which include trade receivables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Income statement 1 January 2017 - 31 December 2017

| | <u>Note</u> | <u>2017</u> DKK | <u>2016</u> DKK |
|--|-------------|----------------------|------------------------|
| Gross profit | | 2.128.636 | 1.983.843 |
| Staff costs | 1 | <u>-2.086.634</u> | <u>-2.070.281</u> |
| Earnings Before Interest Taxes Depreciation and Amortization | | 42.002 | -86.438 |
| Depreciation, amortisation and impairment of intangible assets and property, plant and equipment | | <u>0</u> | <u>-53.461</u> |
| Profit/loss before financial income and expenses | | 42.002 | -139.899 |
| Financial income | | 8.740 | 2 |
| Financial costs | | <u>-28.173</u> | <u>-3.071</u> |
| Profit/loss before tax | | 22.569 | -142.968 |
| Tax on profit/loss for the year | 2 | <u>-10.723</u> | <u>22.809</u> |
| Net profit/loss for the year | | <u>11.846</u> | <u>-120.159</u> |
| Retained earnings | | <u>11.846</u> | <u>-120.159</u> |
| | | <u>11.846</u> | <u>-120.159</u> |

Balance sheet at 31 December 2017

| | <u>Note</u> | <u>2017</u> DKK | <u>2016</u> DKK |
|--|-------------|------------------------------|------------------------------|
| Assets | | | |
| Other fixtures and fittings, tools and equipment | | 0 | 0 |
| Leasehold improvements | | <u>0</u> | <u>0</u> |
| Tangible assets | | <u>0</u> | <u>0</u> |
| Deposits | | <u>122.867</u> | <u>120.576</u> |
| Fixed asset investments | | <u>122.867</u> | <u>120.576</u> |
| Fixed assets total | | <u>122.867</u> | <u>120.576</u> |
| Finished goods and goods for resale | | <u>79.624</u> | <u>64.237</u> |
| Stocks | | <u>79.624</u> | <u>64.237</u> |
| Trade receivables | | 57.033 | 18.971 |
| Other receivables | | 368.377 | 272.020 |
| Deferred tax asset | | 31.932 | 10.161 |
| Corporation tax | | 0 | 32.494 |
| Prepayments | | <u>9.726</u> | <u>9.726</u> |
| Receivables | | <u>467.068</u> | <u>343.372</u> |
| Cash at bank and in hand | | <u>94.754</u> | <u>186.260</u> |
| Current assets total | | <u>641.446</u> | <u>593.869</u> |
| Assets total | | <u><u>764.313</u></u> | <u><u>714.445</u></u> |

Balance sheet at 31 December 2017

| | <u>Note</u> | <u>2017</u> DKK | <u>2016</u> DKK |
|--|-------------|-----------------------|-----------------------|
| Liabilities and equity | | | |
| Share capital | | 80.000 | 80.000 |
| Retained earnings | | <u>-128.913</u> | <u>-140.759</u> |
| Equity | 4 | <u>-48.913</u> | <u>-60.759</u> |
| Trade payables | | 69.155 | 80.915 |
| Payables to associates | | 259.965 | 254.871 |
| Other payables | | <u>484.106</u> | <u>439.418</u> |
| Short-term debt | | <u>813.226</u> | <u>775.204</u> |
| Debt total | | <u>813.226</u> | <u>775.204</u> |
| Liabilities and equity total | | <u>764.313</u> | <u>714.445</u> |
| Contingent assets, liabilities and other financial obligations | 5 | | |

Noter til årsrapporten

| | <u>2017</u> DKK | <u>2016</u> DKK |
|--|---|---------------------------|
| 1 Staff costs | | |
| Wages and salaries | 1.990.630 | 1.952.095 |
| Pensions | 47.200 | 66.817 |
| Other social security costs | 48.804 | 51.369 |
| | <u>2.086.634</u> | <u>2.070.281</u> |
| | | |
| Average number of employees | <u>6</u> | <u>6</u> |
| | | |
| 2 Tax on profit/loss for the year | | |
| Current tax for the year | 32.494 | -32.494 |
| Deferred tax for the year | -21.771 | 9.685 |
| | <u>10.723</u> | <u>-22.809</u> |
| | | |
| 3 Tangible assets | | |
| | Other fixtures and fittings, tools and equipment | Leasehold improvements |
| | <u>194.636</u> | <u>234.575</u> |
| Cost at 1 January 2017 | | |
| Cost at 31 December 2017 | <u>194.636</u> | <u>234.575</u> |
| | | |
| Impairment losses and depreciation at 1 January 2017 | <u>194.636</u> | <u>234.575</u> |
| Impairment losses and depreciation at 31 December 2017 | <u>194.636</u> | <u>234.575</u> |
| | | |
| Carrying amount at 31 December 2017 | <u>0</u> | <u>0</u> |

Noter til årsrapporten

4 Equity

| | <u>Share capital</u> | <u>Retained earnings</u> | <u>Total</u> |
|-----------------------------------|----------------------|--------------------------|-----------------------|
| Equity at 1 January 2017 | 80.000 | -140.759 | -60.759 |
| Net profit/loss for the year | 0 | 11.846 | 11.846 |
| Equity at 31 December 2017 | <u>80.000</u> | <u>-128.913</u> | <u>-48.913</u> |

5 Contingent assets, liabilities and other financial obligations

The company is jointly taxed with its parent company, Wrangel Holding ApS (management company), and is jointly and severally liable with the other jointly taxed entities for the payment of income taxes for income years 2013 onwards and withholding taxes on dividends, interest and royalties falling due for payment on or after 1 July 2012.