
NCH SOUTH ApS

C/O Hotel Skt Petri, Krystalgade 22, DK-1172 København K

Annual Report for 2022

CVR No. 35 25 54 94

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 18/7 2023

Sven Martin
Christopher Alm
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of NCH South ApS for the financial year 1 January - 31 December 2021.

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 2022 of the Company and of the results of the Company operations for 2022.

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

Copenhagen, 18 July 2023

Executive Board

Sven Martin Christopher Alm
CEO

Board of Directors

Rasmus Juul-Nyholm

Gauthier Robert A Lambeaux

Independent Auditor's report

To the shareholder of NCH SOUTH ApS

Opinion

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 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of NCH SOUTH ApS for the financial year 1 January - 31 December 2022, 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 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.

Independent Auditor's report

- 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 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.

Hellerup, 18 July 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen

State Authorised Public Accountant

mne28703

Qasam Hussain

State Authorised Public Accountant

mne44159

Company information

The Company	NCH SOUTH ApS C/O Hotel Skt Petri Krystalgade 22 DK-1172 København K CVR No: 35 25 54 94 Financial period: 1 January - 31 December Municipality of reg. office: Copenhagen
Board of Directors	Rasmus Juul-Nyholm Gauthier Robert A Lambeaux
Executive Board	Sven Martin Christopher Alm
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Income statement 1 January - 31 December

	Note	2022 DKK	2021 DKK
Gross profit		20,780,119	3,522,094
Staff expenses	3	-41,231,063	-18,622,305
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-457,438	-625,040
Profit/loss before financial income and expenses		-20,908,382	-15,725,251
Financial income		0	43,678
Financial expenses	4	-99,411	-1,509,381
Profit/loss before tax		-21,007,793	-17,190,954
Tax on profit/loss for the year	5	4,000,000	0
Net profit/loss for the year		-17,007,793	-17,190,954

Distribution of profit

	2022 DKK	2021 DKK
Proposed distribution of profit		
Retained earnings	-17,007,793	-17,190,954
	-17,007,793	-17,190,954

Balance sheet 31 December

Assets

	Note	2022 DKK	2021 DKK
Other fixtures and fittings, tools and equipment		0	457,438
Leasehold improvements		0	0
Property, plant and equipment	6	0	457,438
Fixed assets		0	457,438
Raw materials and consumables		857,469	1,476,713
Inventories		857,469	1,476,713
Trade receivables		5,756,722	2,164,001
Receivables from group enterprises		0	65,791
Other receivables		2,436,622	23,408,148
Deferred tax asset		4,000,000	0
Prepayments		584,686	490,485
Receivables		12,778,030	26,128,425
Cash at bank and in hand		9,276,551	240,917
Current assets		22,912,050	27,846,055
Assets		22,912,050	28,303,493

Balance sheet 31 December

Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		600,000	600,000
Retained earnings		-7,623,747	-54,665,954
Equity		-7,023,747	-54,065,954
Payables to group enterprises		17,262,787	0
Other payables		767,200	1,673,690
Long-term debt	7	18,029,987	1,673,690
Prepayments received from customers		1,348,879	1,438,556
Trade payables		6,669,453	7,270,129
Payables to group enterprises	7	0	70,057,559
Other payables	7	3,887,478	1,929,513
Short-term debt		11,905,810	80,695,757
Debt		29,935,797	82,369,447
Liabilities and equity		22,912,050	28,303,493
Key activities	1		
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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	600,000	-54,665,954	-54,065,954
Contribution from group	0	64,050,000	64,050,000
Net profit/loss for the year	0	-17,007,793	-17,007,793
Equity at 31 December	600,000	-7,623,747	-7,023,747

Notes to the Financial Statements

1. Key activities

The Company's main activity consists of hotel and restaurant operations in rented premises.

2. Other operating income

The following types of Covid-19 compensations are recognized in the gross profit/loss for the year:

- Compensation for salaries, which amounts to DKK 0 (2021: DKK 2,717,860)
- Compensation for fixed costs, which amounts to DKK 1,255,864 (2021: DKK 16,248,104)

The Company has received compensation due to Covid-19 for a total of DKK 1,255,864 (2021: DKK 18,965,964).

Of this, DKK 0 is outstanding, which is recognized as other receivables as per 31 December 2022 (2021: DKK 14,162,935).

3. Staff Expenses

	<u>2022</u>	<u>2021</u>
	DKK	DKK
Wages and salaries	37,387,238	18,285,924
Pensions	2,506,633	95,869
Other social security expenses	862,282	190,474
Other staff expenses	474,910	50,038
	<u>41,231,063</u>	<u>18,622,305</u>
Average number of employees	<u>83</u>	<u>42</u>

4. Financial expenses

	<u>2022</u>	<u>2021</u>
	DKK	DKK
Interest paid to group enterprises	0	1,439,047
Other financial expenses	99,411	22,905
Exchange loss	0	47,429
	<u>99,411</u>	<u>1,509,381</u>

Notes to the Financial Statements

	2022	2021
	DKK	DKK
5. Income tax expense		
Current tax for the year	-4,000,000	0
	-4,000,000	0
6. Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	5,657,364	673,872
Cost at 31 December	5,657,364	673,872
Impairment losses and depreciation at 1 January	5,199,926	673,872
Depreciation for the year	457,438	0
Impairment losses and depreciation at 31 December	5,657,364	673,872
Carrying amount at 31 December	0	0

Notes to the Financial Statements

7. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2022</u>	<u>2021</u>
	DKK	DKK
Payables to group enterprises		
After 5 years	0	0
Between 1 and 5 years	17,262,787	0
Long-term part	<u>17,262,787</u>	<u>0</u>
Within 1 year	0	0
Other short-term debt to group enterprises	0	70,057,559
Short-term part	<u>0</u>	<u>70,057,559</u>
	<u>17,262,787</u>	<u>70,057,559</u>
Other payables		
After 5 years	0	0
Between 1 and 5 years	767,200	1,673,690
Long-term part	<u>767,200</u>	<u>1,673,690</u>
Within 1 year	0	0
Other short-term payables	3,887,478	1,929,513
	<u>4,654,678</u>	<u>3,603,203</u>
	<u>2022</u>	<u>2021</u>
	DKK	DKK

8. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligation in the non-cancellation period	267,889,117	262,518,762
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Other contingent liabilities

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 SOF-12 Skt. Petri Bidco 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 unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

9. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
SOF-12 Skt. Petri Bidco ApS	Copenhagen, Denmark

10. Subsequent events

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

Notes to the Financial Statements

11. Accounting policies

The Annual Report of NCH SOUTH ApS for 2022 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 2022 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, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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.

Income statement

Net sales

Revenue from the sale of services is recognised when delivery and transfer of risk to the buyer have been made.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Cost of goods sold

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Notes to the Financial Statements

Gross profit

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

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including government grants relating to Covid-19 compensation schemes.

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 Danish group enterprises. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

Notes to the Financial Statements

If so, the asset is written down to its lower recoverable amount.

Inventories

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

The cost of goods for resale, raw materials and consumables equals landed cost.

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.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

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

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