
Sanchan ApS

c/o Rosio Sanchez, Rævegade 6, 1., DK-1315
København K

Annual Report for 1 January - 31 December 2019

CVR No 36 90 89 12

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
8 /9 2020

Rosio Sanchez
Chairman of the General
Meeting



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Sanchan ApS for the financial year 1 January - 31 December 2019.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2019 of the Company and of the results of the Company operations for 2019.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

København, 8 September 2020

Executive Board

Rosio Sanchez

Independent Auditor's Report

To the Shareholder of Sanchan ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Sanchan ApS for the financial year 1 January - 31 December 2019, 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.

Independent Auditor's Report

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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's Report

- 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, 8 September 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Steffen Kaj Pedersen

statsautoriseret revisor

mne34357

Company Information

The Company

Sanchan ApS
c/o Rosio Sanchez
Rævegade 6, 1.
DK-1315 København K

CVR No: 36 90 89 12
Financial period: 1 January - 31 December
Incorporated: 21 May 2015
Financial year: 5th financial year
Municipality of reg. office: København

Executive Board

Rosio Sanchez

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Key activities

The company's purpose is to provide consulting services and to own subsidiaries and other equity investments

Development in the year

The income statement of the Company for 2019 shows a profit of DKK 478,195, and at 31 December 2019 the balance sheet of the Company shows equity of DKK 1,584,908.

Subsequent events

The consequences of Covid-19, where governments around the world have decided to "close down" countries, will have a major impact on the world economy. Management considers the impact of Covid-19 as an event arisen after the balance sheet date (December 31, 2019), and therefore constitutes a non-regulatory event for the company.

It is estimated that Covid-19 will have a significant effect on the company, as the activities conducted in the associated company Oaxaca Group ApS, in which the company owns shares in, are restaurant business, which are largely expected to be affected by Covid-19.

At this point in time, it is not possible to determine the exact magnitude of the impact from Covid-19.

Income Statement 1 January - 31 December

	Note	2019 DKK	2018 DKK
Gross profit/loss		-13,100	-10,515
Income from investments in associates	3	491,383	1,147,921
Financial expenses		-88	-11,213
Profit/loss before tax		478,195	1,126,193
Tax on profit/loss for the year		0	0
Net profit/loss for the year		478,195	1,126,193

Distribution of profit

Proposed distribution of profit

Reserve for net revaluation under the equity method	491,383	1,105,671
Retained earnings	-13,188	20,522
	478,195	1,126,193

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2019</u> DKK	<u>2018</u> DKK
Investments in associates	4	1,679,304	1,187,921
Fixed asset investments		<u>1,679,304</u>	<u>1,187,921</u>
Fixed assets		<u>1,679,304</u>	<u>1,187,921</u>
Cash at bank and in hand		<u>21,280</u>	<u>22,505</u>
Currents assets		<u>21,280</u>	<u>22,505</u>
Assets		<u>1,700,584</u>	<u>1,210,426</u>

Balance Sheet 31 December

Liabilities and equity

	Note	2019 DKK	2018 DKK
Share capital		50,000	50,000
Reserve for net revaluation under the equity method		1,597,054	1,105,671
Retained earnings		-62,146	-48,958
Equity		1,584,908	1,106,713
Trade payables		9,500	9,500
Payables to owners and Management		90,088	43,000
Other payables		16,088	51,213
Short-term debt		115,676	103,713
Debt		115,676	103,713
Liabilities and equity		1,700,584	1,210,426
Going concern	1		
Subsequent events	2		
Contingent assets, liabilities and other financial obligations	5		
Accounting Policies	6		

Notes to the Financial Statements

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	50,000	1,105,671	-48,958	1,106,713
Net profit/loss for the year	0	491,383	-13,188	478,195
Equity at 31 December	50,000	1,597,054	-62,146	1,584,908

Notes to the Financial Statements

1 Going concern

At 31 december 2019, the companys short-term debt amounts DKK 115,676, while the currents assets amounts DKK 21,280.

Management confirms that it will not require its debt paid back before the company's liquidity situation allows it and that it will support the company financially, making the company able to pay its other obligations.

It is the management's assessment the company has the necessary liquidity to pay its obligations as they are due and to maintain operations until 31 December 2020, based on the commitment of financial support.

Based on this, the annual report is prepared under the going concern assumption.

2 Subsequent events

The consequences of Covid-19, where governments around the world have decided to "close down" countries, will have amajor impact on the world economy. Management considers the impact of Covid-19 as an event arisen after the balance sheet date (December 31, 2019), and therefore constitutes a non-regulatory event for the company.

It is estimated that Covid-19 will have a significant effect on the company, as the activities conducted in the associated company Oaxaca Group ApS, in which the company owns shares in, are restaurant business, which are largely expected to be affected by Covid-19.

At this point in time, it is not possible to determine the exact magnitude of the impact from Covid-19.

3 Income from investments in associates

	2019 DKK	2018 DKK
Share of profits of associates	491,383	1,147,921
	491,383	1,147,921

4 Investments in associates

Cost at 1 January	82,250	42,250
Additions for the year	0	40,000
Cost at 31 December	82,250	82,250

Notes to the Financial Statements

	2019	2018
	DKK	DKK
4 Investments in associates (continued)		
Value adjustments at 1 January	1,105,671	-42,250
Net profit/loss for the year	491,383	1,147,921
Value adjustments at 31 December	1,597,054	1,105,671
Carrying amount at 31 December	1,679,304	1,187,921

Investments in associates are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Oaxaca Group ApS	København	128.350	35.06%

5 Contingent assets, liabilities and other financial obligations

Contingent liabilities

At 31 december 2019, the company has no contingent liabilities.

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Sanchan ApS for 2019 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 Financial Statements for 2019 are presented in DKK.

Changes in accounting policies

The company has changed its accounting policies for measuring investments in associates from cost to the equity method. The change has resulted in an increase in the profit of the year of DKK 1,147,921 (2017: DKK - 538,993). In addition, the change has had a positive impact on the company's fixed assets with DKK 1,147,921 (2017: DKK -538,993) and the total balance sheet total with DKK 1,147,921 (2017: DKK -538,993). Equity was affected positively by DKK 1,147,921 (2017: DKK -538,993).

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.

Income Statement

Other external expenses

Other external expenses comprise expenses for administration.

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.

Notes to the Financial Statements

6 Accounting Policies (continued)

Income from investments in associates

The item “Income from investments in associates” 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.

Balance Sheet

Investments in associates

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

The item “Investments in associates” 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.

Financial debts

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