



Stellapolly Craft Beer ApS

Humletorvet 27, 3.
1799 København V
CVR No. 36965231

Annual report 2020

The Annual General Meeting adopted the
annual report on 02.07.2021

Kenneth Bundgaard Madsen
Chairman of the General Meeting

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Entity details

Entity

Stellapolly Craft Beer ApS

Humletorvet 27, 3.

1799 København V

CVR No.: 36965231

Registered office: København

Financial year: 01.01.2020 - 31.12.2020

Executive Board

Mikkel Bjergsø

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Lead Client Service Partner : Bjørn Winkler Jakobsen

Statement by Management

The Executive Board have today considered and approved the annual report of Stellapolly Craft Beer ApS for the financial year 01.01.2020 - 31.12.2020.

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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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, 02.07.2021

Executive Board

Mikkel Bjergsø

Independent auditor's report

To the shareholders of Stellapolly Craft Beer ApS

Opinion

We have audited the financial statements of Stellapolly Craft Beer ApS for the financial year 01.01.2020 - 31.12.2020, 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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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:

- 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.

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, 02.07.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Hans Tauby

State Authorised Public Accountant
Identification No (MNE) mne44339

Management commentary

Primary activities

The company's activities comprise in development, manufacturing and sale of quality beers and spirits under the trademark "Mikkeller". The production takes place in cooperation with leading breweries in Denmark and abroad.

Development in activities and finances

The income statement for the period 01.01.20 - 31.12.20 shows a loss of DKK 19.438 thousand against a loss of DKK 11.447 thousand for the period 01.01.19 - 31.12.19. The balance sheet shows a negative equity of DKK 47.239 thousand.

The result has been negatively impacted by a write-off of the goodwill related to investments in group enterprises. The write-off amounts to DKK 7.353 thousand.

The management has found that the equity is lost per 31 December 2020. The management is working on a plan to re-establish the equity and improve the cash flow through the income from investments in group enterprises.

The management expects that it will be possible for the company to pay its liabilities as they become due and has presented the annual report based on going concern.

The company is part of the Bjergsø Group, which is a strong and well consolidated group. The company has received declaration of support from the group, which results in certainty about the company's capability of continuing operation.

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. The re-opening of the society after the COVID-19 crisis will be a determining factor for the economic impact the following year.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		(21,356)	49,408
Income from investments in group enterprises		(19,577,886)	(11,035,893)
Other financial income		864,160	45,230
Other financial expenses		(602,330)	(621,935)
Profit/loss before tax		(19,337,412)	(11,563,190)
Tax on profit/loss for the year		(100,094)	116,005
Profit/loss for the year		(19,437,506)	(11,447,185)
Proposed distribution of profit and loss			
Retained earnings		(19,437,506)	(11,447,185)
Proposed distribution of profit and loss		(19,437,506)	(11,447,185)

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Investments in group enterprises		8,502,932	29,474,666
Receivables from group enterprises		17,302,733	8,129,744
Deferred tax		0	116,005
Financial assets	2	25,805,665	37,720,415
Fixed assets		25,805,665	37,720,415
Receivables from group enterprises		15,911	0
Receivables		15,911	0
Cash		119,810	5,616
Current assets		135,721	5,616
Assets		25,941,386	37,726,031

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		50,000	50,000
Translation reserve		(3,176,729)	0
Retained earnings		(44,111,838)	(24,674,332)
Equity		(47,238,567)	(24,624,332)
Payables to group enterprises		73,164,328	62,334,738
Non-current liabilities other than provisions	3	73,164,328	62,334,738
Other payables		15,625	15,625
Current liabilities other than provisions		15,625	15,625
Liabilities other than provisions		73,179,953	62,350,363
Equity and liabilities		25,941,386	37,726,031
Going concern	1		
Contingent liabilities	4		
Group relations	5		

Statement of changes in equity for 2020

	Contributed capital DKK	Translation reserve DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	0	(24,674,332)	(24,624,332)
Exchange rate adjustments	0	(3,176,729)	0	(3,176,729)
Profit/loss for the year	0	0	(19,437,506)	(19,437,506)
Equity end of year	50,000	(3,176,729)	(44,111,838)	(47,238,567)

Notes

1 Going concern

The management has found that the equity is lost per 31 December 2020. The management is working on a plan to re-establish the equity and improve the cash flow through the income from investments in group enterprises.

The management expects that it will be possible for the company to pay its liabilities as they become due and has presented the annual report based on going concern.

The company is part of the Bjergsø Group, which is a strong and well consolidated group. The company has received declaration of support from the group, which results in certainty about the company's capability of continuing operation.

2 Financial assets

	Investments in group enterprises DKK	Receivables from group enterprises DKK	Deferred tax DKK
Cost beginning of year	53,374,031	8,129,744	116,005
Exchange rate adjustments	0	(1,782,881)	0
Additions	0	10,955,870	(116,005)
Cost end of year	53,374,031	17,302,733	0
Impairment losses beginning of year	(23,899,365)	0	0
Exchange rate adjustments	(1,393,848)	0	0
Amortisation of goodwill	(1,392,790)	0	0
Impairment losses on goodwill	(7,353,440)	0	0
Share of profit/loss for the year	(10,831,656)	0	0
Impairment losses end of year	(44,871,099)	0	0
Carrying amount end of year	8,502,932	17,302,733	0

Investments in subsidiaries	Registered in	Equity interest %
Stella Polly Inc.	San Diego, USA	100

3 Non-current liabilities other than provisions

	Due after more than 12 months 2020 DKK
Payables to group enterprises	73,164,328
	73,164,328

Payables to group enterprises falls due within 5 years.

4 Contingent liabilities

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 liable for income taxes etc for the jointly taxed entities, and 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.

5 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Bjergsø Holding ApS, Copenhagen

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.

Consolidated financial statements

Referring to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The company is included in the consolidated annual report for Bjergsø Holding ApS.

Income statement

Gross profit or loss

Gross profit or loss comprises external expenses.

Other external expenses

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

Income from investments in group enterprises

Investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies 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

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

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.

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.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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