

Rødtomat ApS

Frederiksholms Kanal 20, st., 1220 København K

Annual report for 2020

CVR no. 37 07 40 63

Adopted at the annual general meeting on 12 July 2021

chairman: Daniele Di Martino

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Management's review	6
Financial statements	
Income statement	7
1 January - 31 December	
Balance sheet 31 December	8
Statement of changes in equity	10
Notes to the annual report	11
Accounting policies	13

Statement by management on the annual report

The executive board has today discussed and approved the annual report of Rødtomat ApS for the financial year 1. januar - 31. december 2020.

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 company's financial position at 31. december 2020 and of the results of the company's operations for the financial year 1. januar - 31. december 2020.

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

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 11 July 2021

Executive board

Daniele di Martino

Independent auditor's report

To the shareholder of Rødtomat ApS

Opinion

We have audited the financial statements of Rødtomat ApS for the financial year 1. januar - 31. december 2020, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under 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 2020 and of the results of the company's operations for the financial year 1. januar - 31. december 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 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.

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 the 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:

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 company'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 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.

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 Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that 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 of management's review.

Copenhagen, 11 July 2021

Ecovis Danmark
statsautoriseret revisionsinteressentskab
CVR no. 28 93 95 23

Kurt Bülow
state authorized public accountant
MNE no. mne3112

Company details

The company

Rødtomat ApS
Frederiksholms Kanal 20, st.
1220 København K

CVR no.: 37 07 40 63

Reporting period: 1. januar - 31. december 2020

Domicile: Copenhagen

Executive board

Daniele di Martino

Auditors

Ecovis Danmark
statsautoriseret revisionsinteressentskab
Vendersgade 28 st. th
1363 København K

Management's review

Business review

The purpose of the company is to operate a restaurant and other related activities.

Unusual matters

Due to the pandemic that has hit society since the first quarter 2020 the company's sales during the year have fallendrastically. In 2nd quarter 2021 the lockdown ended and the company operations reopened. The new menu and pizza masterclasses are proving popular and attracting new customers, with Sales have returned to pre-COVID levels.

Income statement

1 January - 31 December

	Note	2020 DKK	2019 DKK
Gross profit		6.916.383	8.024.511
Staff costs	2	<u>-7.575.686</u>	<u>-7.542.118</u>
Profit/loss before amortisation/depreciation and impairment losses		-659.303	482.393
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-426.884</u>	<u>-319.251</u>
Profit/loss before net financials		-1.086.187	163.142
Financial income		0	3.837
Financial costs		<u>-43.928</u>	<u>-40.586</u>
Profit/loss before tax		-1.130.115	126.393
Tax on profit/loss for the year	3	<u>249.160</u>	<u>-28.342</u>
Profit/loss for the year		<u>-880.955</u>	<u>98.051</u>
		<u>2020</u> DKK	<u>2019</u> DKK
Retained earnings		<u>-880.955</u>	<u>98.051</u>
		<u>-880.955</u>	<u>98.051</u>

Balance sheet 31 December

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Assets			
Completed development projects		185.362	203.883
Intangible assets	4	<u>185.362</u>	<u>203.883</u>
Other fixtures and fittings, tools and equipment		882.682	1.246.874
Tangible assets	5	<u>882.682</u>	<u>1.246.874</u>
Total non-current assets		<u>1.068.044</u>	<u>1.450.757</u>
Raw materials and consumables		65.028	90.673
Stocks		<u>65.028</u>	<u>90.673</u>
Trade receivables		267.578	1.749.630
Affiliated entities		4.660.198	4.087.448
Deferred tax asset		167.572	0
Prepayments		0	93.389
Receivables		<u>5.095.348</u>	<u>5.930.467</u>
Cash at bank and in hand		<u>424.608</u>	<u>955.936</u>
Total current assets		<u>5.584.984</u>	<u>6.977.076</u>
Total assets		<u>6.653.028</u>	<u>8.427.833</u>

Balance sheet 31 December

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Equity and liabilities			
Share capital		50.000	50.000
Other reserves		164.972	0
Retained earnings		-781.667	264.260
Equity		-566.695	314.260
Provision for deferred tax		0	81.588
Total provisions		0	81.588
Trade payables		474.388	2.216.932
Debt affiliated entities		5.046.276	5.248.147
Other payables		1.699.059	566.906
Total current liabilities		7.219.723	8.031.985
Total liabilities		7.219.723	8.031.985
Total equity and liabilities		6.653.028	8.427.833

Statement of changes in equity

	Share capital	Other reserves	Retained earnings	Total
Equity at 1 January 2020	50.000	179.418	84.842	314.260
Transfers, reserves	0	-14.446	14.446	0
Net profit/loss for the year	0	0	-880.955	-880.955
Equity at 31 December 2020	50.000	164.972	-781.667	-566.695

Notes

	<u>2020</u> DKK	<u>2019</u> DKK
1 Other operating income		
Management fee, Sweden and Germany	263.750	482.307
Covis 2019 -compensation	<u>3.028.879</u>	<u>0</u>
	<u>3.292.629</u>	<u>482.307</u>
2 Staff costs		
Wages and salaries	7.380.428	7.409.041
Other social security costs	<u>195.258</u>	<u>133.077</u>
	<u>7.575.686</u>	<u>7.542.118</u>
Average number of employees	<u>20</u>	<u>20</u>
3 Tax on profit/loss for the year		
Deferred tax for the year	<u>-249.160</u>	<u>28.342</u>
	<u>-249.160</u>	<u>28.342</u>
Tax on profit/loss for the year is calculated as follows:		
Calculated 22% tax on profit/loss for the year before tax	-248.625	27.806
Tax effect of:		
Tax on non-deductible expenses and non-taxable income	<u>-535</u>	<u>536</u>
	<u>-249.160</u>	<u>28.342</u>

Notes

4 Intangible assets

	Completed development projects
Cost at 1 January 2020	284.950
Cost at 31 December 2020	284.950
Impairment losses and amortisation at 1 January 2020	81.067
Depreciation for the year	18.521
Impairment losses and amortisation at 31 December 2020	99.588
Carrying amount at 31 December 2020	185.362

5 Tangible assets

	Other fixtures and fittings, tools and equipment
Cost at 1 January 2020	2.493.386
Additions for the year	44.170
Cost at 31 December 2020	2.537.556
Impairment losses and depreciation at 1 January 2020	408.363
Depreciation for the year	1.246.511
Impairment losses and depreciation at 31 December 2020	1.654.874
Carrying amount at 31 December 2020	882.682

Accounting policies

The annual report of Rødtomat ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities, as well as provisions applying to reporting class C entities.

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

The annual report for 2020 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 installments 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 costs of raw materials and consumables and other external expenses.

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Accounting policies

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.

Expenses for raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external costs

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

Other external costs also comprise research and development costs that do not qualify for capitalisation.

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 that relate 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, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment 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, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Intangible assets

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.

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:

	Useful life	Residual value
Andre anlæg, driftsmateriel og inventar	15 years	0 %

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Stocks

Stocks are measured at cost 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.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Income tax and deferred tax

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

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