



42raw Pilestræde ApS

Esplanaden 36, 4.
1263 København K
CVR No. 37516759

Annual report 2020

The Annual General Meeting adopted the
annual report on 29.06.2021

Jesper Rydahl

Chairman of the General Meeting

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Entity details

Entity

42raw Pilestræde ApS
Esplanaden 36, 4.
1263 København K

CVR No.: 37516759

Registered office: Copenhagen

Financial year: 01.01.2020 - 31.12.2020

Executive Board

Jesper Rydahl, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Executive Board have today considered and approved the annual report of 42raw Pilestræde 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, 29.06.2021

Executive Board

Jesper Rydahl
CEO

Independent auditor's extended review report

To the shareholders of 42raw Pilestræde ApS

Conclusion

We have performed an extended review of the financial statements of 42raw Pilestræde 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.

Based on our extended review, 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 conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

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 extended review 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 extended review 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 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, 29.06.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Thomas Hermann

State Authorised Public Accountant
Identification No (MNE) mne26740

Management commentary

Primary activities

The Company's purpose is the activity of production, trade and service and related activities.

Description of material changes in activities and finances

In the financial year under review, the Company has realised a loss of DKK 809 thousand compared to a profit of DKK 309 thousand in 2019. The result is not satisfactory, but a positive result is expected in 2021.

Events after the balance sheet date

After the end of the financial year, no events have occurred that could materially affect the Company's financial position as at 31 December 2020.

The restaurant have been closed down for a period in the spring of 2021 due to covid-19. The company has received compensation in the form of public assistance packages, but operations have been loss-making during the period. The company expects that the covid-19 restrictions are now over, so that the company can once again operate the restaurant.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		765,020	2,194,498
Staff costs	3	(989,669)	(1,317,805)
Depreciation, amortisation and impairment losses	4	(471,846)	(484,154)
Operating profit/loss		(696,495)	392,539
Other financial income	5	36,301	14,735
Other financial expenses	6	(377,014)	(7,018)
Profit/loss before tax		(1,037,208)	400,256
Tax on profit/loss for the year	7	228,165	(90,825)
Profit/loss for the year		(809,043)	309,431
Proposed distribution of profit and loss			
Retained earnings		(809,043)	309,431
Proposed distribution of profit and loss		(809,043)	309,431

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Goodwill		1,160,000	1,450,000
Intangible assets	8	1,160,000	1,450,000
Other fixtures and fittings, tools and equipment		30,143	57,589
Leasehold improvements		200,923	350,679
Property, plant and equipment	9	231,066	408,268
Other receivables		258,380	253,313
Financial assets		258,380	253,313
Fixed assets		1,649,446	2,111,581
Raw materials and consumables		20,000	50,000
Inventories		20,000	50,000
Trade receivables		1,621	70,964
Receivables from group enterprises		843,246	887,788
Deferred tax		131,088	0
Other receivables		67,750	30,000
Prepayments		7,126	2,169
Receivables		1,050,831	990,921
Other investments		321,300	0
Other investments		321,300	0
Cash		380,182	1,241,369
Current assets		1,772,313	2,282,290
Assets		3,421,759	4,393,871

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		50,000	50,000
Retained earnings		3,020,710	3,829,753
Equity		3,070,710	3,879,753
Deferred tax		0	97,077
Provisions		0	97,077
Bank loans		2,694	4,416
Trade payables		51,392	143,234
Payables to group enterprises		63,540	62,294
Other payables	10	233,423	207,097
Current liabilities other than provisions		351,049	417,041
Liabilities other than provisions		351,049	417,041
Equity and liabilities		3,421,759	4,393,871
Unusual circumstances	1		
Events after the balance sheet date	2		
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		

Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	3,829,753	3,879,753
Profit/loss for the year	0	(809,043)	(809,043)
Equity end of year	50,000	3,020,710	3,070,710

Notes

1 Unusual circumstances

The government mandated forced closures of 42Raw Pilestræde ApS' stores due to the covid-19 pandemic has severely impacted the entity's ability to generate a profit during the financial year 2020. Because of the circumstances, 42Raw Pilestræde ApS has been approved for the following government issued aid packages:

- Salary compensation from the Danish Business Authority
- Fixed cost compensation from the Danish Business Authority

The combined compensation received amounts to DKK 497 thousand.

2 Events after the balance sheet date

After the end of the financial year, no events have occurred that could materially affect the Company's financial position as at 31 December 2020.

The restaurant have been closed down for a period in the spring of 2021 due to covid-19. The company has received compensation in the form of public assistance packages, but operations have been loss-making during the period. The company expects that the covid-19 restrictions are now over, so that the company can once again operate the restaurant.

3 Staff costs

	2020	2019
	DKK	DKK
Wages and salaries	965,705	1,276,118
Other social security costs	25,941	38,610
Other staff costs	(1,977)	3,077
	989,669	1,317,805
Average number of full-time employees	5	7

4 Depreciation, amortisation and impairment losses

	2020	2019
	DKK	DKK
Amortisation of intangible assets	290,000	290,000
Depreciation of property, plant and equipment	181,846	194,154
	471,846	484,154

5 Other financial income

	2020	2019
	DKK	DKK
Financial income from group enterprises	14,967	14,735
Fair value adjustments	21,328	0
Other financial income	6	0
	36,301	14,735

6 Other financial expenses

	2020	2019
	DKK	DKK
Financial expenses from group enterprises	1,246	1,221
Other interest expenses	6,277	5,797
Fair value adjustments	369,491	0
	377,014	7,018

7 Tax on profit/loss for the year

	2020	2019
	DKK	DKK
Change in deferred tax	(228,165)	90,825
	(228,165)	90,825

8 Intangible assets

	Goodwill
	DKK
Cost beginning of year	2,900,000
Cost end of year	2,900,000
Amortisation and impairment losses beginning of year	(1,450,000)
Amortisation for the year	(290,000)
Amortisation and impairment losses end of year	(1,740,000)
Carrying amount end of year	1,160,000

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	185,945	811,946
Additions	4,644	0
Cost end of year	190,589	811,946
Depreciation and impairment losses beginning of year	(128,356)	(461,267)
Depreciation for the year	(32,090)	(149,756)
Depreciation and impairment losses end of year	(160,446)	(611,023)
Carrying amount end of year	30,143	200,923

10 Other payables

	2020 DKK	2019 DKK
VAT and duties	32,295	84,570
Wages and salaries, personal income taxes, social security costs, etc payable	117,128	85,027
Other costs payable	84,000	37,500
	233,423	207,097

11 Unrecognised rental and lease commitments

	2020 DKK	2019 DKK
Liabilities under rental or lease agreements until maturity in total	258,423	253,356

As of December 31st 2020 a rental commitment exists towards the lessors of the shop in Pilestræde. The lease in Pilestræde is subject to a six month term of notice with an expected value of DKK 258 thousand.

12 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where JRY Holdig 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.

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.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for

premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

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, amortisation of financial liabilities, and 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 JRY Holding ApS. 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**Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful lives are reassessed annually. The amortisation periods used are 10-20 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

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

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment 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.

Inventories

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

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

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.

However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Other investments

Other current asset investments comprise listed securities measured at fair value (market price) at the balance sheet date.

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.