

VF Services Denmark ApS

Nørre Voldgade 16, st., 1358 København K

Company reg. no. 37 86 78 37

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 13 July 2021.

Karsten Schmidt
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's report	1
Auditor's report on compilation of the annual accounts	2
Management commentary	
Company information	3
Management commentary	4
Financial statements 1 January - 31 December 2020	
Accounting policies	5
Income statement	9
Statement of financial position	10
Statement of changes in equity	12
Notes	13

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the executive board has presented the annual report of VF Services Denmark ApS for the financial year 1 January - 31 December 2020.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

The executive board consider the conditions for audit exemption of the 2020 financial statements to be met.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Copenhagen, 13 July 2021

Executive board

Preetesh Damania
Director

Yummi Talwar
Director

Auditor's report on compilation of the annual accounts

To the shareholders of VF Services Denmark ApS

We have compiled the financial statements of VF Services Denmark ApS for the financial year 1 January - 31 December 2020 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the accounting policies, income statement, statement of financial position, statement of changes in equity and notes.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Copenhagen, 13 July 2021

ReviPoint

Statsautoriserede Revisor A/S
Company reg. no. 31 61 15 20

Jan Lundqvist

State Authorised Public Accountant
mne19740

Company information

The company

VF Services Denmark ApS

Nørre Voldgade 16, st.

1358 København K

Company reg. no. 37 86 78 37

Established: 1 July 2016

Domicile: Copenhagen

Financial year: 1 January - 31 December

Executive board

Preetesh Damania, Director

Yummi Talwar, Director

Auditors

ReviPoint Statsautoriserede Revisorer A/S

Ragnagade 7

2100 København Ø

Management commentary

The principal activities of the company

The company's principal activities is to undertake administrative functions relating to visa applications.

Unusual matters

Net profit of the year and the economic development are significantly affected by the corona crisis and the restrictions that were implemented in Denmark and the rest of the world to stop the spread of the pandemic.

Development in activities and financial matters

The gross profit for the year totals 270.639 DKK against 1.049.262 DKK last year. Income or loss from ordinary activities after tax totals -1.382.989 DKK against -818.607 DKK last year.

Management considers the net loss for the year as expected as the activities is strongly effected by the restrictions introduced to prevent the spread of COVID-19.

The expected development

The company's activities are directly affected by the restrictions imposed to prevent the spread of COVID-19. At present, the company's management cannot predict the final effect on the company's financial conditions.

Events subsequent to the financial year

No events have occurred after the end of the financial year that could significantly affect the company's financial position. However, reference is made to comments in note 1 to the financial statements regarding COVID-19.

Accounting policies

The annual report for VF Services Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concern matters existing on the balance sheet date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or writedown for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise.

Other external costs comprise costs for sales, advertisement and administration.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Accounting policies

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Financial expenses

Financial expenses are recognised in the income statement with the amounts concerning the financial year. Financial expenses comprise interest expenses as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Leasehold improvements	5 years	0 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Accounting policies

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Financial fixed assets

Deposits

Deposits are measured at amortised cost and represent rent deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank.

Liabilities other than provisions

Other liabilities concerning payables to group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	270.680	1.049.322
2 Staff costs	-1.610.935	-1.746.591
Depreciation and writedown relating to fixed assets	-37.719	-102.245
Operating profit	-1.377.974	-799.514
3 Other financial costs	-50.680	-19.093
Pre-tax net profit or loss	-1.428.654	-818.607
Tax on ordinary results	0	0
Net profit or loss for the year	-1.428.654	-818.607
Proposed appropriation of net profit:		
Allocated from retained earnings	-1.428.654	-818.607
Total allocations and transfers	-1.428.654	-818.607

Statement of financial position at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Non-current assets			
4	Leasehold improvements	193.579	231.298
	Total property, plant, and equipment	193.579	231.298
5	Deposits	88.800	88.800
	Total investments	88.800	88.800
	Total non-current assets	282.379	320.098
Current assets			
	Other receivables	38.780	0
	Accrued income and deferred expenses	29.853	21.750
	Total receivables	68.633	21.750
	Available funds	64.629	42.423
	Total current assets	133.262	64.173
	Total assets	415.641	384.271

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity		
Contributed capital	50.000	50.000
Results brought forward	-4.453.569	-3.024.915
Total equity	-4.403.569	-2.974.915
Liabilities other than provisions		
Debt to group enterprises	4.614.709	3.013.319
Total long term liabilities other than provisions	4.614.709	3.013.319
Trade creditors	0	75.716
Other payables	204.501	270.151
Total short term liabilities other than provisions	204.501	345.867
Total liabilities other than provisions	4.819.210	3.359.186
Total equity and liabilities	415.641	384.271

1 Uncertainties concerning the enterprise's ability to continue as a going concern

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2020	50.000	-3.024.915	-2.974.915
Profit or loss for the year brought forward	0	-1.428.654	-1.428.654
	50.000	-4.453.569	-4.403.569

Notes

All amounts in DKK.

	2020	2019
1. Uncertainties concerning the enterprise's ability to continue as a going concern		
<p>The coronavirus has had a significant effect on the company's activities, as restrictions have been introduced in relation to travel activity around the world, etc. The restrictions have been gradually eased in the spring of 2021 and onwards, but travel activity remains limited after the closure. Management continuously assesses the situation, but at present cannot predict when "normality" will occur or calculate the final effect of the restrictions on the company's finances.</p> <p>The UK parent company has agreed to provide the company with the necessary liquidity until the company's activity level is "normalized". The company has also applied for and received relevant compensation schemes from the Danish authorities.</p> <p>The annual report has therefore been prepared in accordance with the principles of going concern.</p>		
2. Staff costs		
Salaries and wages	1.624.403	1.734.599
Other costs for social security	-13.468	11.992
	1.610.935	1.746.591
Average number of employees	4	4
3. Other financial costs		
Financial costs, group enterprises	45.665	0
Other financial costs	5.015	19.093
	50.680	19.093

Notes

All amounts in DKK.

4. Leasehold improvements

Cost 1 January 2020	557.315	184.362
Additions during the year	0	372.953
Cost 31 December 2020	557.315	557.315
Depreciation and writedown 1 January 2020	-326.017	0
Depreciation for the year	-37.719	-326.017
Depreciation and writedown 31 December 2020	-363.736	-326.017
Carrying amount, 31 December 2020	193.579	231.298

5. Deposits

Cost 1 January 2020	88.800	88.800
Cost 31 December 2020	88.800	88.800
Carrying amount, 31 December 2020	88.800	88.800