

KellyDeli ApS

c/o Advokatfirmaet BOIBYEN.DK APS
Nøjsomhedsvej 9
2100 København Ø

CVR No. 38117017

Annual Report 2020

4. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 4 June 2021

Jørgen Ingemar Levin
Chairman

KellyDeli ApS

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KellyDeli ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of KellyDeli ApS for the financial year 1 January 2020 - 31 December 2020.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January 2020 - 31 December 2020.

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

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

København, 4 June 2021

Executive Board

Jørgen Ingemar Levin
Man. Director

Daniel Marcus Coole
Director

KellyDeli ApS

Company details

Company	KellyDeli ApS c/o Advokatfirmaet BOIBYEN.DK APS Nøjsomhedsvej 9 2100 København Ø
CVR No.	38117017
Date of formation	18 October 2016
Executive Board	Jørgen Ingemar Levin, Man. Director Daniel Marcus Coole, Director

Management's Review

The Company's principal activities

The company's purpose is catering, creation, preparation and sale of takeaway meals and food, catering services, food trade, goods and services. The company also participates in the management of marketing, communication of know-how, franchising, trademark licensing, development and promotion of any concepts and participation of the company in any operation that may be related to the company's purpose through the incorporation of new companies, contributions, drawing or purchase of shares and shareholders' rights, in public limited companies or joint ventures, by mergers or otherwise.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -121.830 and the Balance Sheet at 31 December 2020 a balance sheet total of DKK 4.465.486 and an equity of DKK -2.219.345.

The negative income statement result was expected due to delays on kiosks openings that generated lower revenues than expected.

Covid19

The outbreak of the corona virus has had a positive effect on the business. As the business is located within stores that has been kept open during the lockdowns and restrictions the business has been able to grow during the year. The situation has been monitored closely and the company has managed to keep their costs low during the uncertainty in the year.

Going forward the board estimates that corona outbreak will keep on having a positive effect as long as the restrictions and any lock down are in place as this seems to attract customers to the business.

Expectations for the future

The Company expects its operations to develop positively next year.

To ensure the future existence of the company, the group will provide the necessary liquidity and capital. Therefore the management has used the going concern basis of accounting in preparing this annual report.

Accounting Policies

Reporting Class

The Annual Report of KellyDeli ApS for 2020 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

General Information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost princip.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Accounting Policies

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operation income, cost of raw and consumables and other external expenses.

Revenue

Revenue from the sale of goods is recognised in the income statement from the date of delivery and when the risk has passed to the buyer if it is possible to calculate the income reliably. The revenue is calculated exclusive of VAT, charges and discounts.

Other sales revenues are recognised as revenue according to the invoicing principle.

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive of VAT and net of sales discounts.

Costs for raw materials and consumables comprise the cost of goods purchased less discounts, costs subcontractors and change in inventories for the year.

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises, loss of debtors, operating leasing costs etc.

Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

Amortisation and impairment of tangible and intangible assets

Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Properties	20-50 years	0%
Other fixtures and fittings, tools and equipment	3-10 years	0%
Leasehold improvements	5 years	0%

Land is not amortised.

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Dividends equity investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Accounting Policies

Balance Sheet

Tangible assets

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

Properties:	20-40 years
Plant and machinery:	5-7 years
Tools and equipment:	3-5 years
Leasehold improvements	3-5 years

Gains or losses arising from the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amounts at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expense.

Property, plant and equipment held under leases and qualifying as finance leases are treated according to the same guidelines as assets owned.

Inventories

Inventories are measured at cost on the basis of the FIFO principle. Where the net realisable value is lower than cost, the inventories are written down to this lower value.

The net realisable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Accounting Policies

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Development cost reserve

Development cost reserve includes recognised development costs. The reserve is not available for the payment of dividends or losses. The reserve is deducted or dissolved by depreciation of the recognised costs or abandonment of the activity. Such reduction or dissolution is made by means of a transfer to distributable reserves.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Other payables

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2020 kr.	2019 kr.
Gross profit		1.084.954	679.814
Employee benefits expense		-1.016.375	-1.322.484
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-108.527	-27.602
Profit from ordinary operating activities		-39.948	-670.272
Other finance income		786	489
Finance expences		-82.668	-29.256
Profit from ordinary activities before tax		-121.830	-699.039
Profit		-121.830	-699.039
Proposed distribution of results			
Retained earnings		-121.830	-699.039
Distribution of profit		-121.830	-699.039

Balance Sheet as of 31 December

	Note	2020 kr.	2019 kr.
Assets			
Plant and machinery	2	562.407	82.325
Property, plant and equipment		562.407	82.325
Deposits, investments		10.000	10.000
Investments		10.000	10.000
Fixed assets		572.407	92.325
Raw materials and consumables		0	78.716
Assets held for sale		0	49.716
Inventories		0	128.432
Short-term trade receivables		3.377.736	2.957.268
Other short-term receivables		0	81.557
Receivables		3.377.736	3.038.825
Cash and cash equivalents		515.343	284.286
Current assets		3.893.079	3.451.543
Assets		4.465.486	3.543.868

Balance Sheet as of 31 December

	Note	2020 kr.	2019 kr.
Liabilities and equity			
Contributed capital		60.000	60.000
Share premium		2.403.570	2.403.570
Retained earnings		-4.682.915	-4.561.086
Equity		-2.219.345	-2.097.516
Other provisions		62.362	19.566
Provisions		62.362	19.566
Trade payables		2.844.059	2.416.480
Payables to group enterprises		2.920.456	2.265.920
Other payables		278.782	273.508
Deferred income, liabilities		579.172	373.410
Deposits, liabilities other than provisions		0	292.500
Short-term liabilities other than provisions		6.622.469	5.621.818
Liabilities other than provisions within the business		6.622.469	5.621.818
Liabilities and equity		4.465.486	3.543.868
Contingent liabilities	3		
Related parties	4		

Notes

	2020	2019
1. Personalemkostninger		
Wages and salaries	886.529	1.144.909
Post-employment benefit expense	63.827	79.777
Social security contributions	18.659	30.748
Other employee expense	47.360	67.050
	1.016.375	1.322.484
Average number of employees	<u>2</u>	<u>3</u>
2. Plant and machinery		
Cost at the beginning of the year	147.871	147.871
Addition during the year, incl. improvements	588.609	0
Cost at the end of the year	736.480	147.871
Depreciation and amortisation at the beginning of the year	-88.162	-37.944
Amortisation for the year	-85.911	-27.602
Impairment losses and amortisation at the end of the year	-174.073	-65.546
Carrying amount at the end of the year	562.407	82.325

3. Contingent liabilities

The Company has a rental agreement with a operational obligation on 3 months amounting to DKK 8.400.

4. Related parties

The following shareholders are registered in the Company's register of shareholders, who owns 100% of the share capital :

KellyDeli Company Limited

Office 06 113 Wework The Bower 207 Old Street, London, Storbritannien, EC1V 9NR

The financial statements of KellyDeli Company Limited Group are available at:

KellyDeli Company Limited

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