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Cock's & Cows Cph Airport ApS

Gammel Strand 40, 2., 1202 København K

Company reg. no. 38 73 05 25

Annual report

1 July 2017 - 31 December 2018

The annual report was submitted and approved by the general meeting on the 14 June 2019.

Daniel Vesti Knuttel
Chairman of the meeting

Contents

Notes:

- To ensure the greatest possible applicability of this document, British 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

The managing director has today presented the annual report of Cock's & Cows Cph Airport ApS for the financial year 1 July 2017 to 31 December 2018.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 July 2017 to 31 December 2018.

I am of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

København K, 14 June 2019

Managing Director

Daniel Vesti Knuttel

Independent auditor's report

To the shareholders of Cock's & Cows Cph Airport ApS

Opinion

We have audited the annual accounts of Cock's & Cows Cph Airport ApS for the financial year 1 July 2017 to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 July 2017 to 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Without modifying our conclusion, we refer to the discussion in note 1 about the company's expectations for the continued operation.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Independent auditor's report

Auditor’s responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management’s preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Independent auditor's report

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 14 June 2019

Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Claus Carlsen
State Authorised Public Accountant
mne23451

Company data

The company	Cock's & Cows Cph Airport ApS Gammel Strand 40, 2. 1202 København K	
	Company reg. no.	38 73 05 25
	Financial year:	1 July - 31 December
Managing Director	Daniel Vesti Knuttel	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	

Management's review

The principal activities of the company

The company's purpose is to run restaurants / cocktail bars or similar businesses.

Development in activities and financial matters

The gross profit for the year is DKK 2.513.000. The results from ordinary activities after tax are DKK -2.115.000. The management consider the results satisfactory.

The company has lost all of its capital. It's the company's first financial year in which there has been many cost relating to the start-up. It's assesed that the company will generate positive oprations forward and thus restore equity within a few years.

Profit and loss account

All amounts in DKK.

Note		1/7 2017 - 31/12 2018
	Gross profit	**2.513.480**
2	Staff costs	-4.349.712
	Depreciation and writedown relating to tangible fixed assets	-570.146
	Operating profit	**-2.406.378**
3	Other financial costs	-303.438
	Results before tax	**-2.709.816**
	Tax on ordinary results	595.000
	Results for the year	**-2.114.816**
	Proposed distribution of the results:	
	Allocated from results brought forward	-2.114.816
	Distribution in total	**-2.114.816**

Balance sheet

All amounts in DKK.

Note	Assets	31/12 2018
	Fixed assets	
4	Other plants, operating assets, and fixtures and furniture	1.810.196
5	Decoration rented premises	8.183.643
	Tangible fixed assets in total	9.993.839
	Deposits	519.607
	Financial fixed assets in total	519.607
	Fixed assets in total	**10.513.446**
	Current assets	
	Raw materials and consumables	257.367
	Inventories in total	257.367
	Trade debtors	2.615
	Deferred tax assets	595.000
	Other debtors	1.563.260
	Claims for payment of contributed capital	50.000
	Accrued income and deferred expenses	1.802.246
	Debtors in total	4.013.121
	Available funds	1.624.338
	Current assets in total	**5.894.826**
	Assets in total	**16.408.272**

Balance sheet

All amounts in DKK.

Note	Equity and liabilities	31/12 2018
	Equity	
6	Contributed capital	50.000
7	Results brought forward	-2.114.816
	Equity in total	**-2.064.816**
	Liabilities	
	Bank debts	1.999.117
	Leasing liabilities	1.121.958
	Long-term liabilities in total	3.121.075
	Short-term part of long-term liabilities	286.511
	Trade creditors	4.622.820
	Debt to group enterprises	9.705.360
	Other debts	297.879
	Accrued expenses and deferred income	439.443
	Short-term liabilities in total	15.352.013
	Liabilities in total	**18.473.088**
	Equity and liabilities in total	**16.408.272**

1 Capital loss

8 Mortgage and securities

9 Contingencies

Notes

All amounts in DKK.

1. Capital loss

The company has lost all of its capital. It's the company's first financial year in which there has been many cost relating to the start-up. It's assesed that the company will generate positive oprations forward and thus restore equity within a few years.

		1/7 2017 - 31/12 2018
2.	**Staff costs**	
	Salaries and wages	4.145.513
	Other costs for social security	26.222
	Other staff costs	177.977
		4.349.712
	Average number of employees	8
3.	**Other financial costs**	
	Financial costs, group enterprises	123.922
	Other financial costs	179.516
		303.438

4.	**Other plants, operating assets, and fixtures and furniture**	
	Additions during the year	1.948.060
	Cost 31 December 2018	**1.948.060**
	Depreciation for the year	-137.864
	Amortisation and writedown 31 December 2018	**-137.864**
	Book value 31 December 2018	**1.810.196**
	Leased assets are included with a book value of	1.632.344

Notes

All amounts in DKK.

		31/12 2018
5.	**Decoration rented premises**	
	Additions during the year	8.615.925
	Cost 31 December 2018	**8.615.925**
	Depreciation for the year	-432.282
	Depreciation and writedown 31 December 2018	**-432.282**
	Book value 31 December 2018	**8.183.643**
6.	**Contributed capital**	
	Contributed capital 1 July 2017	50.000
		50.000
7.	**Results brought forward**	
	Profit or loss for the year brought forward	-2.114.816
		-2.114.816

8. Mortgage and securities

The company has provided a payment guarantee of t.DKK 3,236 to Copenhagen Airports A/S, CVR no. 14 70 72 04.

9. Contingencies

Contingent liabilities

Leasing liabilities

In addition to financial leasing contracts, the company has entered into operational leasing contracts with an average annual leasing payment of t.DKK 350. The leasing contracts have 54 months left to run, and the total outstanding leasing payment is t.DKK 1.574.

Notes

All amounts in DKK.

9. Contingencies (continued)

Contingent liabilities (continued)

Rent commitments

The rent is sales-based. For 2018 and 2019, the rent constitutes 22% of the company's gross turnover. Subsequently, the rent constitutes 24% of the company's gross turnover.

The rent contract is non-cancellable until May 2020. The contract will terminate automatically and without further notice on May 31, 2023.

Joint taxation

Nordic Hospitality Partners Denmark A/S, company reg. no 39427958 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

Accounting policies used

The annual report for Cock's & Cows Cph Airport ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting are presented in Danish kroner (DKK).

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.

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

The profit and loss account

Gross profit

The gross profit comprises the net turnover, cost of sales and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

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

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

Accounting policies used

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.

Depreciation, amortisation and writedown

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

Net financials

Net financials comprise interest. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

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 company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of 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 book value, the amortisation discontinues.

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

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life :

	Useful life
Other plants, operating assets, fixtures and furniture	5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Accounting policies used

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account under depreciation.

Leasing contracts

At the first recognition in the balance sheet, leasing contracts concerning tangible fixed assets by which the company holds all essential risks and advantages attached to the proprietary right (financial leasing) are measured either at fair value or at the present value of the future leasing services, whichever value is lower. When calculating the present value, the internal interest rate of the leasing contract or alternatively the borrowing rate of the enterprise is used as discount rate. Afterwards, financially leased assets are treated in the same way as other similar tangible assets.

The capitalised residual leasing liability is recognised in the balance sheet as a liability, and the interest part of the leasing contract is recognised in the profit and loss account over the term of the contract.

All other leasing contracts are considered operational leasing. Payments in connection with operational leasing and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operational leasing and rental agreements are recognised under contingencies etc.

Decoration of rented premises

Decoration of rented premises are measured at cost with deduction of accrued depreciation. Depreciation takes place on a straight-line basis over the estimated useful life of the asset, which is set at 10 years.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

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

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Accounting policies used

According to the rules of joint taxation, Cock's & Cows Cph Airport ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities
Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income
Received payments concerning income during the following years are recognised under accrued expenses and deferred income.