

# **The Bird Kødbyen ApS**

**Gammel Strand 40, 2, 1202 København K**

**Company reg. no. 38 78 98 13**

## **Annual report**

**12 July 2017 - 31 December 2018**

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

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**Daniel Vesti Knuttel**  
Chairman of the meeting

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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**

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The executive board has today presented the annual report of The Bird Kødbyen ApS for the financial year 12 July 2017 to 31 December 2018.

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

We consider the accounting policies used appropriate, and in our 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 12 July 2017 to 31 December 2018.

We are 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

### **Executive board**

Daniel Vesti Knúttel

Lasse Jørgen Wiwe

## **Independent auditor's report**

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### **To the shareholders of The Bird Kødbyen ApS**

#### **Opinion**

We have audited the annual accounts of The Bird Kødbyen ApS for the financial year 12 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 12 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.

#### **Other matter**

We draw attention to Note 1 in the financial statements, in which the management reports on the company's restoration of the capital.

Our conclusion is not modified by this relationship.

#### **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

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### 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**

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### **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

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### **The company**

The Bird Kødbyen ApS  
Gammel Strand 40, 2  
1202 København K

Company reg. no. 38 78 98 13  
Established: 12 July 2017  
Financial year: 12 July - 31 December  
1st financial year

### **Executive board**

Daniel Vesti Knüttel  
Lasse Jørgen Wiwe

### **Auditors**

Grant Thornton, Statsautoriseret Revisionspartnerselskab  
Stockholmegade 45  
2100 København Ø

### **Parent company**

The Bird Mother ApS

### **General meeting**

Ordinary general meeting will be held on 14 June 2019 on the address of the company.

## **Management's review**

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### **The principal activities of the company**

Like previous years, the company's purpose is to operate restaurants, bars, night clubs, etc.

### **Unusual matters**

In the opinion of the management, there are no unusual circumstance.

### **Uncertainties as to recognition or measurement**

In the opinion of management, there are no uncertainties regarding recognition and measurement.

### **Development in activities and financial matters**

The gross profit for the year is DKK 1.630.000. The results from ordinary activities after tax are DKK -1.297.000. The management consider the results satisfactory.

The financial year has been characterized by continued start-up costs as it is the company's second financial year.

The company has realized a loss so the company's equity is negative. It is management's expectation that, on the basis of prepared budgets, the company can re-establish its capital situation in its own earnings over a shorter period. The company has received a payment declaration from its parent company that will support the company so that it can respond to its obligations.



## Profit and loss account

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All amounts in DKK.

<u>Note</u>	12/7 2017 - 31/12 2018
<b>Gross profit</b>	<b>1.629.891</b>
2 Staff costs	-2.437.788
Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-786.855
<b>Operating profit</b>	<b>-1.594.752</b>
3 Other financial costs	-135.925
<b>Results before tax</b>	<b>-1.730.677</b>
Tax on ordinary results	434.000
<b>Results for the year</b>	<b>-1.296.677</b>
 <b>Proposed distribution of the results:</b>	
Allocated from results brought forward	-1.296.677
<b>Distribution in total</b>	<b>-1.296.677</b>

**Balance sheet**

All amounts in DKK.

<u>Note</u>	<u>31/12 2018</u>
<b>Assets</b>	
<b>Fixed assets</b>	
4 Goodwill	916.667
Intangible fixed assets in total	<u>916.667</u>
5 Other plants, operating assets, and fixtures and furniture	896.832
6 Decoration rented premises	<u>1.939.835</u>
Tangible fixed assets in total	<u>2.836.667</u>
Deposits	<u>64.350</u>
Financial fixed assets in total	<u>64.350</u>
<b>Fixed assets in total</b>	<b><u>3.817.684</u></b>
<b>Current assets</b>	
Manufactured goods and trade goods	<u>226.934</u>
Inventories in total	<u>226.934</u>
Trade debtors	374.092
Deferred tax assets	434.000
Other debtors	201.612
Accrued income and deferred expenses	<u>35.832</u>
Debtors in total	<u>1.045.536</u>
Available funds	<u>281.204</u>
<b>Current assets in total</b>	<b><u>1.553.674</u></b>
<b>Assets in total</b>	<b><u>5.371.358</u></b>

**Balance sheet**

All amounts in DKK.

<u>Note</u>	<u>31/12 2018</u>
<b>Equity and liabilities</b>	
<b>Equity</b>	
7 Contributed capital	50.000
8 Results brought forward	<u>-1.296.677</u>
<b>Equity in total</b>	<b><u>-1.246.677</u></b>
<b>Liabilities</b>	
Leasing liabilities	<u>195.208</u>
Long-term liabilities in total	<u>195.208</u>
9 Liabilities	104.952
Trade creditors	698.322
Debt to group enterprises	4.221.842
Debt to associated enterprises	1.278.091
Other debts	<u>119.620</u>
Short-term liabilities in total	<u>6.422.827</u>
<b>Liabilities in total</b>	<b><u>6.618.035</u></b>
<b>Equity and liabilities in total</b>	<b><u>5.371.358</u></b>
<b>1 Uncertainties concerning the enterprise's ability to continue as a going concern</b>	
<b>10 Mortgage and securities</b>	
<b>11 Contingencies</b>	

## Notes

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All amounts in DKK.

<b>1. Uncertainties concerning the enterprise's ability to continue as a going concern</b>	
The company has lost all of its equity. For the financial year 2019, the management expects a positive result which will result in the company being able to respond to its obligations. The company expects to restore its equity within a shorter number of years. Otherwise, the company has received a statement from its parent company, which states that the parent company will support the company so that it is able to respond to its obligations.	
	12/7 2017
	<u>- 31/12 2018</u>
<b>2. Staff costs</b>	
Salaries and wages	2.366.523
Other costs for social security	22.654
Other staff costs	48.611
	<u><b>2.437.788</b></u>
Average number of employees	<u>4</u>
<b>3. Other financial costs</b>	
Financial costs, group enterprises	96.605
Other financial costs	39.320
	<u><b>135.925</b></u>
<b>4. Goodwill</b>	
Additions during the year	<u>1.250.000</u>
<b>Cost 31 December 2018</b>	<u><b>1.250.000</b></u>
Amortisation for the year	<u>-333.333</u>
<b>Amortisation and writedown 31 December 2018</b>	<u><b>-333.333</b></u>
<b>Book value 31 December 2018</b>	<u><b>916.667</b></u>

## Notes

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All amounts in DKK.

	<u>31/12 2018</u>
<b>5. Other plants, operating assets, and fixtures and furniture</b>	
Additions during the year	<u>1.097.668</u>
<b>Cost 31 December 2018</b>	<b><u>1.097.668</u></b>
Depreciation for the year	<u>-200.836</u>
<b>Amortisation and writedown 31 December 2018</b>	<b><u>-200.836</u></b>
<b>Book value 31 December 2018</b>	<b><u>896.832</u></b>
<b>6. Decoration rented premises</b>	
Additions during the year	<u>2.192.521</u>
<b>Cost 31 December 2018</b>	<b><u>2.192.521</u></b>
Depreciation for the year	<u>-252.686</u>
<b>Depreciation and writedown 31 December 2018</b>	<b><u>-252.686</u></b>
<b>Book value 31 December 2018</b>	<b><u>1.939.835</u></b>
<b>7. Contributed capital</b>	
Contributed capital 12 July 2017	<u>50.000</u>
	<b><u>50.000</u></b>
<b>8. Results brought forward</b>	
Extraordinary dividend adopted during the financial year	<u>-1.296.677</u>
	<b><u>-1.296.677</u></b>
<b>9. Liabilities</b>	
	<b>Outstanding</b>
	<b>debt after</b>
	<b>5 years</b>
	<b>Debt in total</b>
	<b>31 Dec 2018</b>
Leasing liabilities	<u>104.952</u>
	<u>0</u>
	<b><u>0</u></b>
	<b><u>300.160</u></b>

## Notes

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All amounts in DKK.

### 9. Liabilities (continued)

<b>Instalments first year kr.</b>	<b>Outstanding debt after 5 years kr.</b>	<b>Debt in total 31 Dec 2018 kr.</b>
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### 10. Mortgage and securities

The company is jointly and severally liable with the parent company for all bank debt.

### 11. 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 DKK 105,000.

##### Recourse guarantee commitments

The company has entered into contractual obligations regarding leases which expire on 1 July 2020 with an annual rent of DKK 737,000.

#### 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.

The company has left the joint taxation with its former parent company as March 31, 2018 and is therefore not liable for tax claims against the other companies in the joint taxation from the time of withdrawal from the joint taxation.

## **Accounting policies used**

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The annual report for The Bird Kødbyen 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 policies used are unchanged compared to last year, and the annual accounts 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, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, 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, premises, loss on debtors, and operational leasing costs.

## **Accounting policies used**

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### **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, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. 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**

### **Intangible fixed assets**

#### **Goodwill**

Goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Goodwill is amortised on a straight-line basis over the amortisation period, which is between 5 and 25 years. The amortisation period is determined on the basis of an expected payback period, being the longer for strategical acquirees with a strong market position and an expected long-term earnings profile.

#### **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.



## Accounting policies used

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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:

	<i>Useful life</i>
<i>Other plants, operating assets, fixtures and furniture</i>	<i>5 years</i>

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.

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 as other operating income or other operating expenses.

### 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 5 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.

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to 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.

### Available funds

Available funds comprise cash at bank and in hand.

### 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**

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According to the rules of joint taxation, The Bird Kødbyen 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**

Also capitalised residual leasing liabilities in connection with financial leasing contracts are recognised in the financial liabilities.

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