

Nordic Hospitality Partners Denmark A/S

c/o COCK'S & COWS ApS, 1202 København K

Company reg. no. 39 42 79 58

Annual report

20 March - 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

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The board of directors and the executive board have today presented the annual report of Nordic Hospitality Partners Denmark A/S for the financial year 20 March 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 20 March 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 Knuttel

Lasse Jørgen Wiwe

Board of directors

Juha Petteri Helminen

Jarno Juhani Suominen

Kim Rahbek Hansen

Lasse Jørgen Wiwe

Independent auditor's report

To the shareholders of Nordic Hospitality Partners Denmark A/S

Opinion

We have audited the annual accounts of Nordic Hospitality Partners Denmark A/S for the financial year 20 March to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity 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 20 March 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.

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.

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.

Independent auditor's report

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.

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.

Independent auditor's report

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

Nordic Hospitality Partners Denmark A/S
c/o COCK'S & COWS ApS
1202 København K

Company reg. no. 39 42 79 58

Financial year: 20 March - 31 December

Board of directors

Juha Petteri Helminen
Jarno Juhani Suominen
Kim Rahbek Hansen
Lasse Jørgen Wiwe

Executive board

Daniel Vesti Knuttel
Lasse Jørgen Wiwe

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 own shares and other related business.

Development in activities and financial matters

The gross profit for the year is DKK 401.000. The results from ordinary activities after tax are DKK -4.461.000. The management consider the result satisfactory.

Profit and loss account

All amounts in DKK.

<u>Note</u>	20/3 2018 - 31/12 2018
Gross profit	401.081
1 Staff costs	-4.455.280
Depreciation and writedown relating to fixed assets	-15.164
Operating profit	-4.069.363
Other financial income	280.264
2 Other financial costs	-1.914.900
Results before tax	-5.703.999
Tax on ordinary results	1.242.812
Results for the year	-4.461.187
 Proposed distribution of the results:	
Allocated from results brought forward	-4.461.187
Distribution in total	-4.461.187

Balance sheet

All amounts in DKK.

<u>Note</u>	<u>31/12 2018</u>
Assets	
Fixed assets	
3 Decoration rented premises	518.032
Tangible fixed assets in total	<u>518.032</u>
4 Equity investments in group enterprises	151.770.210
Deposits	<u>1.262.399</u>
Financial fixed assets in total	<u>153.032.609</u>
Fixed assets in total	<u>153.550.641</u>
Current assets	
Trade debtors	171.000
Amounts owed by group enterprises	47.505.458
Deferred tax assets	1.046.000
Receivable corporate tax	196.812
Other debtors	1.334.756
Accrued income and deferred expenses	<u>292.853</u>
Debtors in total	<u>50.546.879</u>
Available funds	<u>4.476.164</u>
Current assets in total	<u>55.023.043</u>
Assets in total	<u>208.573.684</u>

Balance sheet

All amounts in DKK.

Equity and liabilities	31/12 2018
<u>Note</u>	<u>31/12 2018</u>
Equity	
Contributed capital	600.000
Results brought forward	27.140.069
Equity in total	<u>27.740.069</u>
Liabilities	
Debt to group enterprises	176.587.418
Long-term liabilities in total	<u>176.587.418</u>
Trade creditors	3.270.436
Other debts	975.761
Short-term liabilities in total	<u>4.246.197</u>
Liabilities in total	<u>180.833.615</u>
Equity and liabilities in total	<u>208.573.684</u>

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Share premium account	Results brought forward	In total
Equity 20 March 2018	500.000	0	0	500.000
Cash capital increase	100.000	31.601.256	0	31.701.256
Profit or loss for the year brought forward	0	0	-4.461.187	-4.461.187
Transfer	0	-31.601.256	31.601.256	0
	600.000	0	27.140.069	27.740.069

Notes

All amounts in DKK.

	20/3 2018 - 31/12 2018
1. Staff costs	
Salaries and wages	3.402.182
Pension costs	209.510
Other costs for social security	19.785
Other staff costs	823.803
	<u>4.455.280</u>
 Average number of employees	 <u>6</u>
2. Other financial costs	
Financial costs, group enterprises	1.839.632
Other financial costs	75.268
	<u>1.914.900</u>
3. Decoration rented premises	
Additions during the year	<u>533.196</u>
Cost 31 December 2018	<u>533.196</u>
Depreciation for the year	<u>-15.164</u>
Depreciation and writedown 31 December 2018	<u>-15.164</u>
 Book value 31 December 2018	 <u>518.032</u>

Notes

All amounts in DKK.

31/12 2018

4. Equity investments in group enterprises

Additions during the year	151.770.210
Book value 31 December 2018	151.770.210

The financial highlights for the enterprises according to the latest approved annual reports

	Share of ownership	Equity DKK	Results for the year DKK	Book value at Nordic Hospitality Partners Denmark A/S DKK
Ruby Group Holding ApS	75,622 %	4.360.779	-61.096	3.537.500
Cock's & Cows ApS	98 %	9.237.415	659.039	103.282.524
The Bird Mother ApS	92 %	44.150	-5.850	44.516.187
Chicks by Chicks Tivoli ApS	78 %	398.863	348.862	384.000
Luca Lyngby ApS	100 %	50.000	0	50.000
		14.091.207	940.955	151.770.211

Accounting policies used

The annual report for Nordic Hospitality Partners Denmark A/S 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 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, work performed for own purposes and capitalised 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.

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

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 used

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.

Dividend from equity investments in group enterprises is recognised in the financial year where the dividend is declared.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

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 company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

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

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.

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are measured at cost. In case the recoverable amount is lower than the cost, writedown takes place to this lower value.

Deposits

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

Accounting policies used

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.

Nordic Hospitality Partners Denmark A/S is jointly taxed with the Danish group companies and acts in this respect as the administration company. According to the rules of joint taxation, Nordic Hospitality Partners Denmark A/S 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.