

Zoku Copenhagen ApS

Amagerfælledvej 108, 2300 Copenhagen

Company reg. no. 39 48 38 23

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 6 July 2022.

Hans Meyer
Chairman of the meeting

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 %.

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Management's statement

Today, the executive board has presented the annual report of Zoku Copenhagen ApS for the financial year 1 January - 31 December 2021.

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 2021 and of the company's results of activities in the financial year 1 January – 31 December 2021.

The executive board consider the conditions for audit exemption of the 2021 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 at the Annual General Meeting.

Copenhagen, 6 July 2022

Executive board

Marc Jan Christian Jongerius

Johannes Meyer

Practitioner's compilation report

To the Shareholders of Zoku Copenhagen ApS

We have compiled the financial statements of Zoku Copenhagen ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the a summary of significant 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 the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), 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 V, 6 July 2022

RSM Denmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Peter Arent Benkjer

State Authorised Public Accountant
mne35785

Company information

The company	Zoku Copenhagen ApS Amagerfælledvej 108 2300 Copenhagen
	Company reg. no. 39 48 38 23 Financial year: 1 January - 31 December 4th financial year
Executive board	Marc Jan Christian Jongerius, Willemsparkweg 190H, Amsterdam Johannes Meyer, Oosteinde 26
Auditors	RSM Denmark Statsautoriseret Revisionspartnerselskab Ved Vesterport 6, 5. sal 1612 København V
Parent company	Zoku and Beyond B.V

Management's review

The principal activities of the company

The purpose of the company is to operate as a hotel-, restaurant-, meeting and eventcompany and other business related to it.

Development in activities and financial matters

The gross loss for the year totals DKK -2.351.009 against DKK -909.878 last year. Income or loss from ordinary activities after tax totals DKK -10.010.823 against DKK -1.418.007 last year. Management considers the results for the year less satisfactory.

During the financial year, the company realized a significant loss, as the company in a start-up phase. The company's continuing operations are depending on continued financial support from the parent company.

Management expects the financial support to be in place and therefor the annual report is prepared in accordance with the principles of going concern.

Further, the management expects to reestablish equity through normal business and potentially contributions from parent company.

Events occurring after the end of the financial year

No events have occurred after the end of the financial year that could significantly upset the company's financial position.

Accounting policies

The annual report for Zoku Copenhagen 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.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting 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.

Income statement

Gross loss

Gross loss comprises the revenue and external costs.

Accounting policies

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 comprises costs concerning purchase of raw materials and consumables less discounts.

Other external costs comprise costs incurred for sales, advertising, administration.

Staff costs

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

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Other property, plant, and equipment 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.

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

Accounting policies

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:

	Useful life
Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-5 years

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.

Property, plant, and equipment in progress

Property, plant, and equipment in progress are measured and recognised as the total costs incurred. When the work has been completed, the total value is transferred to the relevant item under property, plant, and equipment and is amortised from the date of entry into service.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, 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>2021</u>	<u>2020</u>
Gross loss	-2.351.009	-909.878
2 Staff costs	-5.308.174	-428.983
Depreciation and writedown relating to fixed assets	-1.447.515	0
Other financial income	885	-83
Other financial expenses	-905.010	-79.063
Pre-tax net profit or loss	-10.010.823	-1.418.007
Tax on net profit or loss for the year	0	0
Net profit or loss for the year	-10.010.823	-1.418.007
 Proposed appropriation of net profit:		
Allocated from retained earnings	-10.010.823	-1.418.007
Total allocations and transfers	-10.010.823	-1.418.007

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2021</u>	<u>2020</u>
Non-current assets		
3 Property, plant, and equipment under construction including pre-payments for property, plant, and equipment	6.388.866	4.244.296
Total property, plant, and equipment	<u>6.388.866</u>	<u>4.244.296</u>
Total non-current assets	<u>6.388.866</u>	<u>4.244.296</u>
Current assets		
Raw materials and consumables	<u>147.765</u>	<u>0</u>
Total inventories	<u>147.765</u>	<u>0</u>
Trade debtors	2.546.639	0
Other receivables	0	110.273
Accrued income and deferred expenses	<u>0</u>	<u>196.017</u>
Total receivables	<u>2.546.639</u>	<u>306.290</u>
Available funds	<u>6.243.455</u>	<u>3.092.400</u>
Total current assets	<u>8.937.859</u>	<u>3.398.690</u>
Total assets	<u>15.326.725</u>	<u>7.642.986</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2021</u>	<u>2020</u>
Equity		
Contributed capital	50.000	50.000
Retained earnings	-10.662.632	-651.809
Total equity	-10.612.632	-601.809
Liabilities other than provisions		
Payables to group enterprises	16.016.295	6.629.450
Total long term liabilities other than provisions	16.016.295	6.629.450
Bank debts	511	0
Trade payables	6.081.291	602.463
Payables to group enterprises	1.098.174	847.036
Other payables	2.743.086	165.846
Total short term liabilities other than provisions	9.923.062	1.615.345
Total liabilities other than provisions	25.939.357	8.244.795
Total equity and liabilities	15.326.725	7.642.986

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

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2020	50.000	766.198	816.198
Profit or loss for the year brought forward	<u>0</u>	<u>-1.418.007</u>	<u>-1.418.007</u>
Equity 1 January 2021	50.000	-651.809	-601.809
Profit or loss for the year brought forward	<u>0</u>	<u>-10.010.823</u>	<u>-10.010.823</u>
	<u>50.000</u>	<u>-10.662.632</u>	<u>-10.612.632</u>

Notes

All amounts in DKK.

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

During the financial year, the company realized a significant loss, as the company in a start-up phase. The company's continuing operations are depending on continued financial support from the parent company.

Management expects the financial support to be in place and therefore the annual report is prepared in accordance with the principles of going concern.

Further, the management expects to reestablish equity through normal business and potentially contributions from parent company.

2. Staff costs

Salaries and wages	5.158.115	388.639
Pension costs	110.460	38.082
Other costs for social security	39.599	2.262
	<u>5.308.174</u>	<u>428.983</u>
Average number of employees	<u>12</u>	<u>1</u>

3. Property, plant, and equipment under construction including pre-payments for property, plant, and equipment

Cost 1 January 2021	4.244.296	374.639
Additions during the year	<u>3.592.085</u>	<u>3.869.657</u>
Cost 31 December 2021	<u>7.836.381</u>	<u>4.244.296</u>
Depreciation for the year	<u>-1.447.515</u>	<u>0</u>
Depreciation and writedown 31 December 2021	<u>-1.447.515</u>	<u>0</u>
Carrying amount, 31 December 2021	<u>6.388.866</u>	<u>4.244.296</u>

Notes

All amounts in DKK.

4. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into rent lease with the highest of a fixed monthly rent of 14.116.000 DKK, and a variable monthly rent of 33% of gross room revenue and 9% of all other revenues capped at 19.412 TDKK per annum. To allow for operational build-up, the company receives in the first two years a total rent discount of 8.806.385 DKK and total deferred of 6.469.833 DKK payable when reaching TRevPar of DKK 1,000 (indexed during lease period) with a repayment of 200.000 DKK for every TRevPar of DKK 10 exceeding TRevPar of DKK 1,000 (indexed during lease period). The lease is interminable until December 2045.