

RECOP APS
Colbjørnsensgade 27
København V

Annual report for 2021

Adopted at the annual general meeting on
6 July 2022

Isidro Jose Ordoñez Lombana
chairman

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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The executive board has today discussed and approved the annual report of Recop ApS for the financial year 1 January - 31 December 2021.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 6 July 2022

Executive board

Isidro Jose Ordoñez Lombana
director

Martinus Hendrikus de Wit
director

Mireia Sureda Gallardo
director

AUDITOR'S REPORT ON COMPILATION OF THE FINANCIAL STATEMENTS

To the shareholder of Recop ApS

We have compiled the financial statements of Recop ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and International Ethics Standards Boards for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 6 July 2022

MAZARS

Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41

Nicklas Rasmussen
State Authorizes Public Accountant
MNE no. mne43474

COMPANY DETAILS

The company

Recop ApS
Colbjørnsensgade 27
1652 København V

CVR no.: 39 67 70 24

Reporting period: 1 January - 31 December 2021

Domicile: Copenhagen

Executive board

Isidro Jose Ordoñez Lombana
Martinus Hendrikus de Wit
Mireia Sureda Gallardo

Auditors

Mazars
Statsautoriseret Revisionspartnerselskab
Midtermolen 1, 2.tv.
2100 København Ø

MANAGEMENT'S REVIEW

Business review

The company's purpose is hotel management.

Financial review

The company's income statement for the year ended 31 December 2021 shows a loss of DKK 705.491, and the balance sheet at 31 December 2021 shows equity of DKK 790.792.

The resultat is as expected.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

ACCOUNTING POLICIES

The annual report of Recop ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2021 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow 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 will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, other operating income and other external expenses.

Revenue

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment.

Other external expenses

Other external expenses include expenses related to local and direct costs, advertising and administration.

ACCOUNTING POLICIES

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of land and buildings, are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Hotel building	75 years	50 %
Other fixtures, fittings and equipment	3-5 years	0 %

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

ACCOUNTING POLICIES

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2021 DKK	2020 DKK
Gross profit		2.452.398	-820.785
Staff costs	2	-1.089.711	-674.741
Depreciation, amortisation and impairment of plant and equipment		-779.280	-252.525
Profit/loss before net financials		583.407	-1.748.051
Financial income		46.485	233.921
Financial costs	3	-1.335.383	-1.708.587
Profit/loss for the year		-705.491	-3.222.717
Recommended appropriation of profit/loss			
Retained earnings		-705.491	-3.222.717
		-705.491	-3.222.717

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
ASSETS			
Land and buildings		57.126.041	56.967.984
Other fixtures and fittings, tools and equipment		<u>1.447.317</u>	<u>1.846.897</u>
Tangible assets	5	<u>58.573.358</u>	<u>58.814.881</u>
Total non-current assets		<u>58.573.358</u>	<u>58.814.881</u>
Trade receivables		197.147	8.949
Other receivables		<u>108.656</u>	<u>56.058</u>
Receivables		<u>305.803</u>	<u>65.007</u>
Cash at bank and in hand		<u>1.901.065</u>	<u>3.350.041</u>
Total current assets		<u>2.206.868</u>	<u>3.415.048</u>
Total assets		<u><u>60.780.226</u></u>	<u><u>62.229.929</u></u>

BALANCE SHEET 31 DECEMBER

	Note	2021 DKK	2020 DKK
EQUITY AND LIABILITIES			
Share capital		50.000	50.000
Retained earnings		740.792	1.446.283
Equity		790.792	1.496.283
Mortgage loans		17.000.000	17.000.000
Payables to group enterprises		41.557.701	41.575.583
Holiday allowance		0	40.515
Total non-current liabilities	6	58.557.701	58.616.098
Banks		0	128.237
Trade payables		451.698	1.418.416
Other payables		946.907	552.122
Deferred income		33.128	18.773
Total current liabilities		1.431.733	2.117.548
Total liabilities		59.989.434	60.733.646
Total equity and liabilities		60.780.226	62.229.929
Mortgages and collateral	7		

STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2021	50.000	1.446.283	1.496.283
Net profit/loss for the year	0	-705.491	-705.491
Equity at 31 December 2021	50.000	740.792	790.792

NOTES

1 SPECIAL ITEMS

Special items relate to salary compensation applied for in 2020, due to COVID-19. The amount is DKK 115.161 for salary compensation which is recognised as gross profit in the income statement of 2020.

2 STAFF COSTS

	2021 DKK	2020 DKK
Wages and salaries	1.012.174	539.889
Pensions	67.148	34.810
Other social security costs	10.389	100.042
	<u>1.089.711</u>	<u>674.741</u>
Average number of employees	<u>3</u>	<u>1</u>

3 FINANCIAL COSTS

Financial expenses, group entities	675.552	427.222
Other financial costs	659.831	1.281.365
	<u>1.335.383</u>	<u>1.708.587</u>

4 TAX ON PROFIT/LOSS FOR THE YEAR

Deferred tax assets have not been recognised in the balance sheet.

5 TANGIBLE ASSETS

	Land and buildings	Other fixtures and fittings, tools and equipment
Cost at 1 January 2021	57.086.817	1.980.589
Additions for the year	519.211	18.546
Cost at 31 December 2021	<u>57.606.028</u>	<u>1.999.135</u>
Impairment losses and depreciation at 1 January 2021	118.832	133.693
Depreciation for the year	361.155	418.125
Impairment losses and depreciation at 31 December 2021	<u>479.987</u>	<u>551.818</u>
Carrying amount at 31 December 2021	<u>57.126.041</u>	<u>1.447.317</u>

NOTES

6 LONG TERM DEBT

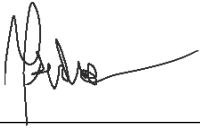
	Debt at 1 January 2021	Debt at 31 December 2021	Instalment next year	Debt outstanding after 5 years
Mortgage loans	17.000.000	17.000.000	0	0
Payables to group enterprises	41.557.583	41.557.701	0	41.557.701
	<u>58.557.583</u>	<u>58.557.701</u>	<u>0</u>	<u>41.557.701</u>

7 MORTGAGES AND COLLATERAL

Land and building with a carrying of amount of DKK 57,126 thousand have been put up as collateral for a mortgage debt and credit facility totalling DKK 26,000 thousand.

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.

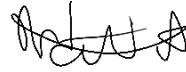


Isidro José Ordoñez Lombana

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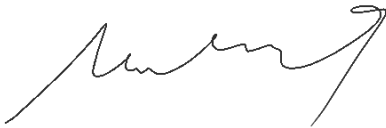


Martinus Hendrikus de Wit

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Nicklas Rasmussen

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Tidspunkt for underskrift: 07-07-2022 kl.: 11:00:44

Underskrevet med esignatur EasySign



Isidro Ordoñez Lombana

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Tidspunkt for underskrift: 07-07-2022 kl.: 11:43:06

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