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# Ruby Group Holding ApS

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

**Company reg. no. 40 04 39 18**

## Annual report

## 1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 29 June 2022.

Eddy Karen Egizarian
Chairman of the meeting

## Contents





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, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

## Management's statement

Today, the managing director has presented the annual report of Ruby Group Holding ApS for the financial year 1 January - 31 December 2021.

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

I consider the accounting policies appropriate and, in my 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.

I am 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.

København K, 29 June 2022

**Managing Director**

Daniel Vesti Knuttel

# Independent auditor's report

**To the shareholders of Ruby Group Holding ApS**

## Opinion

We have audited the financial statements of Ruby Group Holding ApS for the financial year 1 January – 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 in accordance with the Danish Financial Statements Act.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

## Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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 financial statements 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 financial statements, including the note disclosures, and whether the financial statements represent 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 internal control that we identify during our audit.

**Statement on the management commentary**
Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, 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 conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Herning, 29 June 2022

**EY, Godkendt Revisionspartnerselskab**
State Authorised Public Accountants
Company reg. no. 30 70 02 28

Jesper Stier
State Authorised Public Accountant
mne42245

## Company information

| | | |
|---|---|---|
| **The company** | Ruby Group Holding ApS<br>Gammel Strand 40, 2.<br>1202 København K | |
| | Company reg. no. | 40 04 39 18 |
| | Financial year: | 1 January 2021 - 31 December 2021 |
| **Managing Director** | Daniel Vesti Knuttel | |
| **Auditors** | EY, Godkendt Revisionspartnerselskab<br>Dalgasgade 27, 3. sal<br>7400 Herning | |
| **Parent company** | Nordic Hospitality Partners Denmark A/S | |
| **Subsidiaries** | Ebony & Ivory ApS, København<br>Bronnum ApS, København<br>Lidkoeb ApS, København | |

### The principal activities of the company

The purpose of the company is to own investments in other companies as well as companies that, in the opinion of the Executive Board, are related to this.

### Recognition and measurement uncertainties

The Company forms part of the Nordic Hospitality Partners Denmark A/S' joint taxation unit. The joint taxation unit has a tax loss carryforward, which was generated in 2020 and 2021, respectively, in connection with the close-down under COVID-19 and in 2018 and 2019, respectively, during which activities in Denmark were restructured and costs optimised.

Management expects the Company to generate tax profits in 2022 and onwards. In the first five months of 2022, amounts realised live up to the budget for that period, and Management considers this a clear indication that 2022 lives up to the budget.

Consequently, Management has decided to capitalise deferred tax in relation to the tax loss carryforward. Considering the inherent risk relating to e.g. pandemics and thereby the need for close-downs, Management has decided only to capitalise deferred tax corresponding to the amount which will expectedly be utilised in the coming 2 income years, i.e. 2022 and 2023.

Reference is made to Note 2.

### Development in activities and financial matters

The gross loss for the year totals DKK -53.286 against DKK -63.762 last year. The result from ordinary activities after tax totals DKK -715.524 against DKK -580.130 last year. The management consider the results for the year to be satisfactory.

Since year end 2020, the COVID-19 restrictions have remained for big part of 2021 and had substantial impact on our business as well as the entire experience economy. It has not been possible to reach our reduced budgets for 2021, while budgets for 2022 have been adjusted based on restriction information and knowledge from 2021. We have conducted all the necessary precautions by minimizing our administration and operational cost base. We have adjusted our concepts to be aligned with the situation in hand.

The situation has been communicated to all staff groups to create transparency and understanding and to engage full focus on bringing the units back, into even better shape than before. The effect of our actions and clear communication is showing a steady upward trend and creates believe for both management and staff. The conclusion is that the company will get through the situation with own means and support from governmental packages while also having a comfort letter from the mother company. With the current shape and positive trend, we believe to be in an even better market position when all COVID -19 restrictions are lifted.

In the first five months of 2022, the Danish Group realised earnings in accordance with the budget for the period. Cash resources have improved considerably during that period and there are therefore no indications that additional cash resources are required for the Danish Group as the cash requirements are ensured through operations.

Equity investments in group enterprises contains goodwill of DKK 18.438.025. Impairment tests has been performed with a WACC of 9%, growth rate in the budget period of 2% and in the terminal period of 1,5%. The impairment assessment confirm that the value is present and with a headroom of 65 mio. kr.

The Company has received a letter of comfort from NoHo Partners Oyj, to ensure that the Company can continue its operations and meet their liabilities as they fall due.

Reference is made to Note 1.

**Events subsequent to the financial year**

All COVID-19 restrictions were removed by 1st of February and first couple of operational months have created positive financial results, our hard work during COVID-19 on cost controlling is also paying off now. Tourism is not back to 2019 levels, and this has some negative effect on the business, but we are forecasting an overall positive result in 2022.

Reference is made to Note 3.

## Income statement 1 January - 31 December

All amounts in DKK.

| Note | | 2021 | 2020 |
|---|---|---|---|
| | **Gross loss** | **-53.286** | **-63.762** |
| 4 | Financial costs | -674.104 | -679.995 |
| | **Pre-tax net profit or loss** | **-727.390** | **-743.757** |
| | Tax for the year | 11.866 | 163.627 |
| | **Net profit or loss for the year** | **-715.524** | **-580.130** |
| | | | |
| | **Proposed appropriation of net profit:** | | |
| | Allocated from retained earnings | -715.524 | -580.130 |
| | **Total allocations and transfers** | **-715.524** | **-580.130** |

## Balance sheet at 31 December

All amounts in DKK.

| Note | Assets | 2021 | 2020 |
|---|---|---|---|
| | **Non-current assets** | | |
| 5 | Equity investments in group enterprises | 26.800.649 | 26.800.649 |
| | Total investments | 26.800.649 | 26.800.649 |
| | **Total non-current assets** | **26.800.649** | **26.800.649** |
| | **Current assets** | | |
| | Deferred tax assets | 294.808 | 286.027 |
| | Tax receivables from subsidiaries | 44.043 | 40.956 |
| | Other receivables | 60.927 | 50.000 |
| | Prepayments | 865 | 0 |
| | Total receivables | 400.643 | 376.983 |
| | **Total current assets** | **400.643** | **376.983** |
| | **Total assets** | **27.201.292** | **27.177.632** |

## Balance sheet at 31 December

All amounts in DKK.

| Note | Equity and liabilities | 2021 | 2020 |
|---|---|---|---|
| | **Equity** | | |
| | Contributed capital | 100.000 | 100.000 |
| | Retained earnings | 2.447.050 | 3.162.573 |
| | **Total equity** | **2.547.050** | **3.262.573** |
| | **Liabilities other than provisions** | | |
| | Other payables | 4.905.061 | 4.770.488 |
| 6 | Total long term liabilities other than provisions | 4.905.061 | 4.770.488 |
| | Trade payables | 20.938 | 6.521 |
| | Payables to subsidiaries | 19.728.243 | 19.138.050 |
| | Total short term liabilities other than provisions | 19.749.181 | 19.144.571 |
| | **Total liabilities other than provisions** | **24.654.242** | **23.915.059** |
| | **Total equity and liabilities** | **27.201.292** | **27.177.632** |

**1 Liquidity position**

**2 Recognition and measurement uncertainties**

**3 Subsequent events**

**7 Contingencies**

**8 Related parties**

## Statement of changes in equity

All amounts in DKK.

| | Contributed capital | Retained earnings | Total |
|---|---|---|---|
| Equity 1 January 2021 | 100.000 | 3.162.574 | 3.262.574 |
| Profit or loss for the year brought forward | 0 | -715.524 | -715.524 |
| | **100.000** | **2.447.050** | **2.547.050** |

## Notes

All amounts in DKK.

**1. Liquidity position**

The Company has received a letter of comfort from NoHo Partners Oyj, to ensure that the Company can continue its operations and meet their liabilities as they fall due.

**2. Recognition and measurement uncertainties**

The Company forms part of the Nordic Hospitality Partners Denmark A/S' joint taxation unit. The joint taxation unit has a tax loss carryforward, which was generated in 2020 and 2021, respectively, in connection with the close-down under COVID-19 and in 2018 and 2019, respectively, during which activities in Denmark were restructured and costs optimised.

Management expects the Company to generate tax profits in 2022 and onwards. In the first five months of 2022, amounts realised live up to the budget for that period, and Management considers this a clear indication that 2022 lives up to the budget.

Consequently, Management has decided to capitalise deferred tax in relation to the tax loss carryforward. Considering the inherent risk relating to e.g. pandemics and thereby the need for close-downs, Management has decided only to capitalise deferred tax corresponding to the amount which will expectedly be utilised in the coming 2 income years, i.e. 2022 and 2023.

**3. Subsequent events**

All COVID-19 restrictions were removed by 1st of February and first couple of operational months have created positive financial results, our hard work during COVID-19 on cost controlling is also paying off now. Tourism is not back to 2019 levels, and this has some negative effect on the business, but we are forecasting an overall positive result in 2022.

| | 2021 | 2020 |
|---|---|---|
| **4. Financial costs** | | |
| Financial costs, group enterprises | 538.835 | 538.291 |
| Other financial costs | 135.269 | 141.704 |
| | **674.104** | **679.995** |

All amounts in DKK.

| | | 31/12 2021 | 31/12 2020 |
|---|---|---|---|
| **5.** | **Equity investments in group enterprises** | | |
| | Acquisition sum, opening balance 1 January 2021 | 26.800.649 | 26.800.649 |
| | **Book value 31 December 2021** | **26.800.649** | **26.800.649** |

**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 Ruby Group Holding ApS DKK |
|---|---|---|---|---|
| Ebony & Ivory ApS, København | 95,05 % | 3.467.586 | 1.513.337 | 7.971.910 |
| Bronnum ApS, København | 99,00 % | -1.477.093 | 369.694 | 8.422.848 |
| Lidkoeb ApS, København | 94,53 % | 4.895.037 | 888.765 | 10.405.890 |
| | | **6.885.530** | **2.771.796** | **26.800.648** |

Equity investments in group enterprises contains goodwill of DKK 18.438.025. Impairment tests has been performed with a WACC of 9%, growth rate in the budget period of 2% and in the terminal period of 1,5%. The impairment assessment confirm that the value is present and with a headroom of 65 mio. kr.

**6. Liabilities other than provision**

| | Total payables 31 Dec 2021 | Current portion of long term payables | Long term payables 31 Dec 2021 | Outstanding payables after 5 years |
|---|---|---|---|---|
| Other payables | 4.905.061 | 0 | 4.905.061 | 0 |
| | **4.905.061** | **0** | **4.905.061** | **0** |

## Notes

All amounts in DKK.

**7. Contingencies**

**Joint taxation**

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

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

**8. Related parties**

**Consolidated financial statements**

The company is included in the consolidated financial statements of NoHo Partners Oyj, Hatanpään Valtatie 1B FI 33100.

## Accounting policies

The annual report for Ruby Group Holding 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.

No consolidated financial statements have been prepared pursuant to section 110 of the Danish Financial Statements Act.

### Income statement

**Gross loss**

The company has adopted § 32 from the Danish Finansial Statements Act.

Gross loss comprises other operating income, and external costs.

**Other external costs**

Other external costs comprise costs administration.

**Financial income and expenses**

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

**Results from equity investments**

Dividend from equity investments is recognised in the financial year in which the dividend is declared.

**Tax 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).

### Balance sheet

**Impairment loss relating to non-current assets**

The book values of equity investments in subsidiaries enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined a the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist.

**Financial fixed assets**

**Equity investments in group enterprises**

Equity investments in group enterprises are measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

**Receivables**

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

**Prepayments**

Prepayments recognised under assets comprise incurred costs concerning the next financial year.

**Income tax and deferred tax**

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Income tax receivable” or “Income tax payable”.

According to the rules of joint taxation, Ruby Group Holding ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, 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. Any deferred net tax assets are measured at net realisable value.

**Liabilities other than provisions**

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

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

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*"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."*

**Daniel Vesti Knuttel**
**Adm. direktør**
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*IP: 87.49.xxx.xxx*
*2022-06-30 08:34:38 UTC*
NEM ID

**Jesper Stier**
**Statsautoriseret revisor**
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