



Conaxess Trade Denmark A/S

Stamholmen 151, 4. mf
2650 Hvidovre
CVR No. 16015512

Annual report 2023

The Annual General Meeting adopted the annual report on 27.06.2024

Jacob Schilling

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2023	13
Balance sheet at 31.12.2023	14
Statement of changes in equity for 2023	16
Notes	17
Accounting policies	22

Entity details

Entity

Conaxess Trade Denmark A/S

Stamholmen 151, 4. mf

2650 Hvidovre

Business Registration No.: 16015512

Date of foundation: 10.06.1966

Registered office: Hvidovre

Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Uwe Thellmann, chairman

Jacob Schilling

Jens Alexander Klebs Gjedrem

Executive Board

Torben Bank Jensen

Jacob Schilling

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Conaxess Trade Denmark A/S for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Hvidovre, 27.06.2024

Executive Board

Torben Bank Jensen

Jacob Schilling

Board of Directors

Uwe Thellmann
chairman

Jacob Schilling

Jens Alexander Klebs Gjedrem

Independent auditor's report

To the shareholders of Conaxess Trade Denmark A/S

Opinion

We have audited the financial statements of Conaxess Trade Denmark A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 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 this auditor's report. We are independent of the Entity 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 about 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 the 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 these financial statements.

As part of an audit conducted in accordance with ISAs and the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 27.06.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Hans Tauby

State Authorised Public Accountant
Identification No (MNE) mne44339

Management commentary

Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	673,551	555,454	502,353	492,608	579,905
Gross profit/loss	84,213	70,037	63,527	58,542	86,510
Operating profit/loss	23,413	14,934	6,713	(3,380)	2,417
Net financials	(8,741)	(3,105)	(2,504)	(4,777)	(2,988)
Profit/loss for the year	17,519	23,938	13,608	3,546	6,076
Total assets	316,051	286,740	372,019	379,357	369,488
Investments in property, plant and equipment	798	1,727	2,691	3,732	4,829
Equity	141,892	157,228	133,290	121,728	118,182
Ratios					
Gross margin (%)	12.50	12.61	12.65	11.88	14.92
EBIT margin (%)	3.48	2.69	1.34	(0.69)	0.42
Return on equity (%)	11.71	16.48	10.67	2.96	5.28
Equity ratio (%)	44.90	54.83	35.83	32.09	31.99

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

$\frac{\text{Gross profit/loss}}{\text{Revenue}} * 100$

Revenue

EBIT margin (%):

$\frac{\text{Operating profit/loss}}{\text{Revenue}} * 100$

Revenue

Return on equity (%):

$\frac{\text{Profit/loss for the year}}{\text{Average equity}} * 100$

Average equity

Equity ratio (%):

$\frac{\text{Equity}}{\text{Total assets}} * 100$

Total assets

Primary activities

Conaxess Trade Denmark A/S is a sales and marketing company whose principal activity is sales of branded convenience goods to the Danish market, with main emphasis on food, confectionery and personal hygiene.

Other activities include sales and distribution of confectionery in travel markets, primarily in the Nordic region.

The Company owns 75% of Conaxess Trade Denmark Beverages A/S who distributes branded goods, with main emphasis on spirits, Ready to Drink, Ready to Serve, champagne and wines. In addition, the Company owns 44,95% of Borup Kemi A/S.

Development in activities and finances

In 2023, the Company's revenue amounts to DKK 673,551 thousand against DKK 555,454 thousand last year. The income statement for 2023 shows a profit before tax of DKK 20,408 thousand against a profit of DKK 27,013 thousand last year, and the balance sheet at 31 December 2023 shows an equity of DKK 141,892 thousand. Results from ordinary activities are considered satisfactory. Operating profit has increased to DKK 23,413 thousand against DKK 14,934 thousand in 2022.

Profit/loss for the year in relation to expected developments

A profit before tax of DKK 20,408 thousand (2022: DKK 27,013 thousand) was in line with Management's expectations.

Uncertainty relating to recognition and measurement

There have been no uncertainties as to recognition or measurement in 2023.

Unusual circumstances affecting recognition and measurement

None.

Outlook

Results for 2024 are expected to be higher than for 2023 driven by positive effect from new brands and organic growth. We expect revenue to be within 750 – 800 mDKK and operating profit within 30 – 35 mDKK. The focus in 2024 will be on continued consolidation and growth of current portfolio, improvement of earnings, adding strategic principals / brands to support the existing portfolio as well as continuous improvement of capital resources managing the current economic environment.

Operating risks:

The constant competition from other providers are always present, but the Company has a wide customer base, and there is no risk that termination of the individual major customers or trading partners may threaten the Company's existence.

Financial risks:

The Company's net interest bearing debt was DKK 0 thousand (2021: DKK 0 thousand) at year-end since the interest bearing receivables exceed the interest bearing debt.

Exchange rate risks:

The Company's operation is not affected significantly by currency fluctuations, due to income as well as expenses relating to the Company's activity mainly are settled in Danish kroner.

Interest rate risks:

The Company's cash and bank loans yield interest at current floating interest rates and the Company is, therefore, exposed to fluctuations in interest rates.

The Company monitors the interest rate risk, and assess the need to apply hedging instruments on a regular basis.

Credit risks:

The Company's credit risks relate primarily to the trade receivables. The maximum credit risk corresponds to the values recognized on the balance sheet.

The Company is not exposed to any significant risks relating to individual customers or trading partners. All customers are credit rated initially and on a test basis in connection with the ongoing evaluation of credit limits.

Knowledge resources

It is essential for the Company's continued growth to maintain and develop as well as attract skilled and dedicated staff with industry knowledge. Key employees participate in a bonus scheme, which is considered significant in relation to the retention of employees as well as for the sake of continued optimisation of the Company's business concepts, etc.

The average number of employees was 82 in 2022 (2021: 99). The average number of employees in 2022 is lower due to optimization.

Environmental performance

The Company makes active and forward-looking commitments to the environment and works actively with environmental management.

Statutory report on corporate social responsibility**Business model:**

The core activities are related to distribution of branded convenience goods to the Danish market take place. The Group Code of Conduct is intended to reinforce the values of The Group to remain tied to:

- Minimise the use of resources and their negative impact on our environment
- Ensure equality, dialogue, respect, health and safety regarding social conditions and employee relations
- Respect human rights, including labor rights
- Fighting corruption and bribery

It links these values to exceptional standards of professional conduct that are expected of all leaders, employees, business partners and suppliers. The Code of Conduct specifies our standpoint of human rights, workplace responsibilities, environment and climate, as well as ethics and anticorruption.

In 2023 the company has implemented a full ESG report - <https://www.conaxesstrade.com/esg/>.

Environmental policy, including to reduce climate impact

As a part of the global consumer industry GHG emissions are a risk. Therefore, the company has for many years been working with sustainability and in the period this work has been intensified to outline the ESG strategy.

Energy consumption and GHG emission

As member of UN Global Compact and a dedicated internal resource working with continued improvement of our environmental performance, The Group has identified its Central targets for the company are the reduction of greenhouse gas emissions (mitigation) and adaptation to the already existing and incoming effects of climate change, derived from the first two EU taxonomy environmental goals (“climate protection” and “adaptation to climate change”). The Group seeks to actively contribute towards limiting global warming and achieving the goals set out in Paris Climate Agreement. For this purpose, the company follows a strategic approach based on the principle of “avoid” GHG emission before “reduce” before “compensate”.

Environmentally friendly mobility is, besides supporting the supply chain to reduce (non-renewable) energy consumption, an area Conaxess Trade contributes to the efforts against global warming. We introduced several measures to reduce GHG emission in the fields of goods transportation, flight reduction, using public transport, etc.

Supporting supply chain by complying with environmental protection laws

Conaxess Trade’s most important environmental ESG impact is to encourage its suppliers to keep or to strengthen their ecological friendly production and to comply with environmental protection laws. The company’s supplier code of conduct, updated in 2024, can be found [here](#).

Circular Economy

Transitioning to a circular economy is vital to preserving and protecting Earth’s natural resources. We commit ourselves to the responsible use of natural resources and to the reduction of our resource consumption. At Conaxess Trade resource conservation measures are regularly reviewed and implemented. Especially the further reduction of packing material remains on our agenda.

Green Goods

Conaxess Trade makes efforts to refrain from goods that cause undue negative effects to the environment. According to our guidelines we desist from selected food with excessive GHG emission footprint like pangasius in our fish products segment. Conaxess Trade strives to choose „Green products“ against less ecological and social valuable products. Progress is made here especially in the pasta products segment. We are in extensive discussions with our suppliers and customers to make progress in this area.

Goals and implementation

Our goal is to keep strengthening our productline with ecological friendly products herein refraining from goods that cause negative effects on the environment. Furthermore, we will strive to ensure the ecologically friendliness of our complete supply chain.

Policy for social conditions and employee relations

All employees must treat each other with respect and consideration. We do not accept harassment, discrimination or bullying and a safe working environment is a must. In connection with ensuring that the Company complies with the EU General Data Protection Regulation (GDPR) and the Company’s policy on anti-money laundering and anti-terrorist financing, a whistleblower scheme has been established.

Goals and implementation

To implement our workplace responsibilities, we focus on offering relevant training, internal courses and employee development interviews. We conclude that our activities have contributed to maintaining a good working environment in The Group in 2023, and we will continue focusing on this matter in the future.

No incidents have been registered in 2023.

Human rights policy

We recognise the importance of maintaining and promoting basic human rights throughout our operations. The Company has joined the UN Universal Declaration of Human Rights, which states, among other things, that all people are born free and equal in dignity and rights. The established whistleblower scheme can also be used if human rights are violated.

Goals and implementation

All employees receive guidelines on respecting human rights. Our goal is not to experience any issues related to non-compliance with human rights. We are not aware of any breaches of human rights in The Group in 2023, and we will continue focusing on this matter in the future.

Anti-corruption and bribery policy

The Group has a zero tolerance towards corruption and bribery, including means such as improper payments, bribes and kickbacks, and facilitation payments. The Group only offers, provides and accepts gifts, remuneration, invitations and services that are within the framework of regular hospitality. At the same time as the establishment of the policy for money laundering and terrorist financing in 2018, a whistleblower scheme has been established.

Goals and implementation

Our goal is not to experience any issues related to ethics and anti-corruption. We are not aware of any breaches concerning corruption and bribery in The Group in 2023, and we will continue focusing on this matter in the future.

Statutory report on the underrepresented gender

	2023	2022
Supreme management body		
Total number of members	4	4
Underrepresented gender (%)	25.00	25.00
Target figures (%)	30.00	30.00
Year of expected achievement of target figures	2026	2026

At the time of the presentation of the annual report, the Board of Directors has no female members.

The company has not reach the target figure. The company has a target of 40% for the underrepresented gender in top management.

The policy of the Company is to secure the best professional competence possible at all levels in the Company. The memebbers of Management are solely appointed based on their quilifications and not their gender. By doing so, equal oppertunities for both genders are secured, provided that the candidates apply for management positions possess the professional skills required. The Company supports gender equality in reltion to career oppertunities and salary conditions.

Our equal oppertunities policy is put in practice in the Company's employee manual, and we always encourage our female collgerues to apply for leadership possitions.

One female candidates were identified for the Board of Directors in 2023. The primary reason for not having accomplished the target figure is that the top management consists of four people and therefor turnover in top management in low.

	2023	2022
Other management levels		
Total number of members	5	5
Underrepresented gender (%)	40.00	40.00
Target figures (%)	30.00	30.00
Year of expected achievement of target figures	2026	2026

In 2022 and 2023, the proportion of women in other management levels consisted of 40 % women.

The policy of the Company is to secure the best professional competence possible at all levels in the Company. The members in other management levels are solely appointed based on their qualifications and not their gender. By doing so, equal opportunities for both genders are secured, provided that the candidates applying for the management positions possess the professional skills required. Conaxess Trade Denmark supportsgender equality in relation to career opportunities and salary conditions.

Our equal opportunities policy is put into practice in the Company's employee manual, and we always encourage our female colleagues to apply for leadership positions. When recruiting for management positions, we strive to have both genders represented. Furthermore, we focus on developing leadership talents of both genders.

The Company has reached the target figure.

Statutory report on data ethics policy

The Company follows the law and regulations in respect to treat all acquired data in a respectful manner. The Company has a written down IT security policy, which also secure all external acquired data is handled safely.

However the Company has not a written policy on data ethics, as solving the task of the Company does not require access to personal data, and generally acquired data are only used internally in the Company.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2023

	Notes	2023 DKK'000	2022 DKK '000
Revenue	1	673,551	555,454
Cost of sales		(531,930)	(441,928)
Other external expenses	2	(57,408)	(43,489)
Gross profit/loss		84,213	70,037
Staff costs	3	(59,835)	(52,287)
Depreciation, amortisation and impairment losses		(965)	(2,816)
Operating profit/loss		23,413	14,934
Income from investments in group enterprises		1,844	11,012
Income from investments in associates		3,892	4,172
Other financial income	4	1,317	4,332
Other financial expenses	5	(10,058)	(7,437)
Profit/loss before tax		20,408	27,013
Tax on profit/loss for the year	6	(2,889)	(3,075)
Profit/loss for the year	7	17,519	23,938

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Acquired intangible assets		31	66
Development projects in progress	9	16,977	8,779
Intangible assets	8	17,008	8,845
Other fixtures and fittings, tools and equipment		188	429
Leasehold improvements		610	1,298
Property, plant and equipment	10	798	1,727
Investments in group enterprises		36,611	34,767
Investments in associates		46,629	44,985
Other receivables		2,652	2,650
Deferred tax	12	987	6,007
Financial assets	11	86,879	88,409
Fixed assets		104,685	98,981
Manufactured goods and goods for resale		113,805	94,257
Inventories		113,805	94,257
Trade receivables	13	53,658	25,314
Receivables from group enterprises		27,147	44,826
Other receivables		16,756	23,362
Receivables		97,561	93,502
Current assets		211,366	187,759
Assets		316,051	286,740

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		43,000	43,000
Reserve for net revaluation according to the equity method		75,333	74,161
Reserve for development expenditure		13,242	6,848
Retained earnings		0	364
Proposed dividend		10,317	32,855
Equity		141,892	157,228
Other payables		6,288	6,076
Non-current liabilities other than provisions	14	6,288	6,076
Bank loans		30,005	10,073
Trade payables		76,614	61,325
Payables to group enterprises		2,512	554
Other payables		58,740	51,484
Current liabilities other than provisions		167,871	123,436
Liabilities other than provisions		174,159	129,512
Equity and liabilities		316,051	286,740
Unrecognised rental and lease commitments	15		
Contingent liabilities	16		
Assets charged and collateral	17		
Related parties with controlling interest	18		
Non-arm's length related party transactions	19		
Group relations	20		

Statement of changes in equity for 2023

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Reserve for development expenditure DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000
Equity beginning of year	43,000	74,161	6,848	364	32,855
Ordinary dividend paid	0	0	0	0	(32,855)
Dividends from associates	0	(2,248)	0	2,248	0
Transfer to reserves	0	0	6,394	(6,394)	0
Profit/loss for the year	0	3,420	0	3,782	10,317
Equity end of year	43,000	75,333	13,242	0	10,317

	Total DKK'000
Equity beginning of year	157,228
Ordinary dividend paid	(32,855)
Dividends from associates	0
Transfer to reserves	0
Profit/loss for the year	17,519
Equity end of year	141,892

Notes

1 Revenue

Information of revenue split into activities and geographical markets has been omitted with reference to the Danish Financial Statements Act § 96, because the information is assessed to do significant harm to the Company.

2 Fees to the auditor appointed by the Annual General Meeting

	2023	2022
	DKK'000	DKK'000
Statutory audit services	340	329
Other assurance engagements	30	42
Other services	30	28
	400	399

3 Staff costs

	2023	2022
	DKK'000	DKK'000
Wages and salaries	49,954	43,479
Pension costs	4,484	3,996
Other social security costs	664	729
Other staff costs	4,733	4,083
	59,835	52,287

Average number of full-time employees	84	82
---------------------------------------	-----------	-----------

	Remuneration of Management 2023 DKK'000	Remuneration of Management 2022 DKK'000
Executive Board	4,172	3,228
	4,172	3,228

4 Other financial income

	2023	2022
	DKK'000	DKK'000
Financial income from group enterprises	748	4,152
Other interest income	568	180
Exchange rate adjustments	1	0
	1,317	4,332

5 Other financial expenses

	2023	2022
	DKK'000	DKK'000
Financial expenses from group enterprises	0	2,265
Other financial expenses	10,058	5,172
	10,058	7,437

6 Tax on profit/loss for the year

	2023	2022
	DKK'000	DKK'000
Current tax	2,187	909
Change in deferred tax	1,006	2,166
Adjustment concerning previous years	(304)	0
	2,889	3,075

7 Proposed distribution of profit and loss

	2023	2022
	DKK'000	DKK'000
Ordinary dividend for the financial year	10,317	32,855
Retained earnings	7,202	(8,917)
	17,519	23,938

8 Intangible assets

	Acquired intangible assets DKK'000	Development projects in progress DKK'000
Cost beginning of year	859	8,779
Additions	0	8,198
Cost end of year	859	16,977
Amortisation and impairment losses beginning of year	(793)	0
Amortisation for the year	(35)	0
Amortisation and impairment losses end of year	(828)	0
Carrying amount end of year	31	16,977

9 Development projects

Development projects in progress consists of costs to suppliers in relation to implementation of new ERP system. The new ERP system expects to be fully implemented in 2023. Management expects the development project to support the generation of positive cash flows the future. Therefore management has no indication of impairment.

10 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	4,718	5,086
Additions	0	899
Disposals	0	(898)
Cost end of year	4,718	5,087
Depreciation and impairment losses beginning of year	(4,289)	(3,788)
Depreciation for the year	(241)	(689)
Depreciation and impairment losses end of year	(4,530)	(4,477)
Carrying amount end of year	188	610

11 Financial assets

	Investments in group enterprises DKK'000	Investments in associates DKK'000	Other receivables DKK'000	Deferred tax DKK'000
Cost beginning of year	4,239	1,420	2,650	6,007
Additions	0	0	2	0
Disposals	0	0	0	(5,020)
Cost end of year	4,239	1,420	2,652	987
Revaluations beginning of year	30,528	43,565	0	0
Share of profit/loss for the year	1,844	3,892	0	0
Dividend	0	(2,248)	0	0
Revaluations end of year	32,372	45,209	0	0
Carrying amount end of year	36,611	46,629	2,652	987

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Conaxess Trade Denmark Beverages A/S	Hvidovre	Aktieselskab	75.00

Investments in associates	Registered in	Corporate form	Equity interest %
Borup Kemi A/S	Borup	Aktieselskab	44.95

12 Deferred tax

	2023	2022
	DKK'000	DKK'000
Intangible assets	(6)	0
Property, plant and equipment	993	1,050
Tax losses carried forward	0	4,957
Deferred tax	987	6,007

	2023
	DKK'000
Changes during the year	
Beginning of year	6,007
Recognised in the income statement	(1,006)
Correction from previous years	(4,014)
End of year	987

Deferred tax assets

In the calculation of deferred tax, a tax rate of 22.0% was applied (2022: 22.0%).

13 Trade receivables

Out of the total trade receivables amounting to DKK 53,658 thousand, DKK 30,005 thousand comprise factored trade receivables. The factored trade receivables as well as the liability to the factoring bank, are derecognized when the factoring bank receives payment from the debtor.

14 Non-current liabilities other than provisions

	Due after more than 12 months
	2023
	DKK'000
Other payables	6,288
	6,288

The obligations consists of the freezed up holiday pay obligation, which is subject to an annual indexation.

15 Unrecognised rental and lease commitments

	2023	2022
	DKK'000	DKK'000
Liabilities under rental or lease agreements until maturity in total	8,032	16,384

16 Contingent liabilities

The Company serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

17 Assets charged and collateral

The Company has provided security in the form of cash funds of DKK 252 (2022: 250) thousand as of 31 December 2023 for Dansk Retursystem for recycling disposable beverage packaging made of plastic, aluminum and glass included in the Danish deposits and return system. The Company has also provided a security in form of cash funds of DKK 2,400 (2022: 2,400) thousand as of 31 December 2023 to AL Finans as a part of the credit facility agreement.

As collateral for bank credit facilities, floating charge amounting to DKK 75,000 (2022: 75,000) thousand has been provided in the Company's inventory with a book value of DKK 113,805 (2022: 94,257) thousand.

As collateral for factoring bank, floating charge amounting to DKK 30,005 (2022: 10,073) thousand has been provided in the Company's trade receivables with a book value of DKK 53,658 (2022: 25,314) thousand.

The Company has restricted cash of DKK 7,453 (2022: 7,436) thousand on behalf of a related entity, which has been included in receivables from group enterprises.

18 Related parties with controlling interest

Conaxess Trade Holding AB, Löfströms allé 5, 172 66 Sundbyberg, Sweden owns 100% of the shares of the Company.

Conaxess Trade Holding AB, Löfströms allé 5, 172 66 Sundbyberg, Sweden is owned 100% by:

Conaxess Holding Sweden AB, Löfströms allé 5, 172 66 Sundbyberg, Sweden which is owned 100% by:

Aurelius Gamma Invest GmbH, Ludwig-Ganghof-Straße 6, 82031 Grünwald, Germany which is owned 100% by:

Aurelius Equity Opportunities SE & Co. KgaA, Ludwig-Ganghof-Straße 6, 82031 Grünwald, Germany

Thus the above mentioned entities have control over the Conaxess Trade Denmark A/S.

19 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

20 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Aurelius Equity Opportunities SE & Co. KgaA, Ludwig-Ganghof-Straße 6, 82031 Grünwald, Germany

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Conaxess Trade Holding AB, Löfströms allé 5, 172 66 Sundbyberg, Sweden

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Revenue

Revenue from the sale of goods is recognised in the income statement when delivery is made and risk has passed to the buyer, and revenue from fees is recognised in the income statement when the service is performed. Revenue is recognised net of VAT, and duties and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Company's ordinary activities, including expenses for distribution, logistics, premises, marketing costs, IT-costs and corporate costs. This item also includes write downs of receivables recognized in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Income from investments in associates

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after pro rata elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises and currency gains.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and currency losses.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Company is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise acquired intellectual property rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	5-8 years
Leasehold improvements	5-8 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Investments in associates

Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value.

Associates with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant associate, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in associates are written down to the lower of recoverable amount and carrying amount.

Investments in associates fall within the definitions of both participating interests and associates, yet in the financial statements they have been presented as investments in associates because this designation reflects more accurately the Company's involvement in the relevant entities.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of the assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Other financial liabilities

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

Bank loan includes a factoring credit. Factoring credit is recognized as the share to which the factoring bank has recourse right, and is derecognized when the factoring bank receives payment from the debtor.

Cash flow statement

Cash flow statement has not been prepared for the Company as the cash flow is included in the cash flow statement of the consolidated financial statements of the ultimate parent company cf. the Danish Financial Statements Act § 86 (4).