


COOP TRADING A/S

ANNUAL REPORT

2022

**The Annual Report has been presented and adopted
at the Company's Annual General Meeting
on 21 / March / 2023**



**Rasmus Muff
Chairman of the Meeting**

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COMPANY INFORMATION

Company Coop Trading A/S
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2630 Taastrup
Denmark

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Website: www.cooptrading.com

CVR No.: 20 40 61 94

Registered Office: Høje Taastrup Kommune

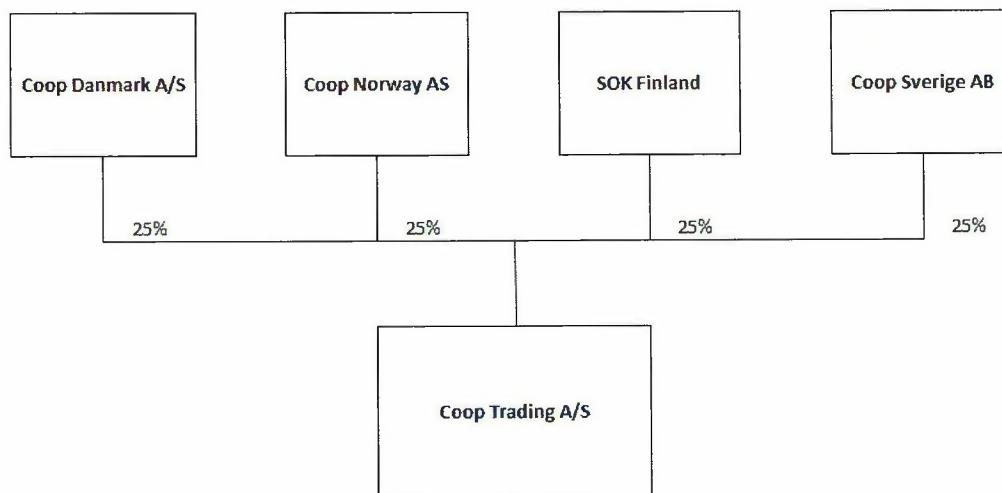
Financial Year 1 January – 31 December

Board of Directors Per Thau, Chairman
Arttu-Perttu Laine
Ingrid Amundsen
Carl Fredrik Uhrbom
Charlotte Nilsson Norby
Johan Nichlas Olofsson
Jari Juhani Simolin
Tor Helge Gundersen

Management Michael La Cour

Auditor BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
1561 København V

Group Structure:



STATEMENT BY BOARD OF DIRECTORS AND MANAGEMENT

The Board of Directors and Management have discussed and approved the Annual Report of Coop Trading A/S for the financial year 1 January to 31 December 2022.

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 Company's financial position on 31 December 2022 and the results of the Company's operations for the financial year 1 January to 31 December 2022.

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


We recommend that the Annual Report be approved at the annual general meeting.


Taastrup, on 21 March 2023

Management:

Michael la Cour
Michael La Cour

Board of Directors:


Per Thau
Chairman


Ingrid Amundsen

Charlotte Norby
Charlotte Nilsson Norby

Jari Simolin
Jari Juhani Simolin

Arttu Laine
Arttu-Perttu Laine

Fredrik Uhrbom
Carl Fredrik Uhrbom

Nichlas Olofsson
Johan Nichlas Olofsson

Tor-Helge Gundersen
Tor Helge Gundersen

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Coop Trading

Opinion

We have audited the Financial Statements of Coop Trading for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement, notes and a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company on 31 December 2022, and of the results of the Company operations and cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 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 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 judgment and maintain professional skepticism throughout the audit. We are 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

KEY FIGURES

DKK ('000)

	2022	2021	2020	2019	2018
Income statement					
Gross profit	123,061	115,134	114,005	109,063	98,956
Operating profit.....	4,567	2,807	3,243	1,498	168
Financial income and expenses, net.....	149	(262)	140	(156)	(135)
Profit for the year	4,716	2,545	3,383	1,342	33
Balance sheet					
Balance sheet total	82,151	75,324	81,814	99,761	92,603
Equity	61,156	56,440	53,896	75,508	74,167
Employees					
Average number of employees	123	111	103	103	97

MANAGEMENT'S REVIEW

Principal activities

The principal activities are like previous year's development and sourcing of Private Brand, Fruits and Vegetables, Indirect Goods and preparation of common, Nordic supplementary agreements with common Nordic Branded Goods suppliers for the company's current and former owners in Denmark, Sweden, Norway and Finland.

Principal events 2022

In 2022, Coop Trading A/S has primarily focused on maintaining our large portfolio (4500+ products) of private label products.

Results for the year

The result for the year shows a profit of TDKK 4,716 which is in line with Management's expectations.

The development in activities and economic conditions

This year's gross profit of Mdkk 123 versus prior year Mdkk 115 is driven by increased focus upon branded business and increased activity within sourcing and quality assurance and control.

The management consider the result of the year as satisfactory.

Risk management

Financial risks

Coop Trading A/S' results and capital are affected by the usual financial risk factors. These financial risks are controlled by the company in cooperation with Coop Denmark A/S' central finance department in accordance with well-defined frames and authorizations by the Board of Directors.

Liquidity Risk

Coop Trading A/S' cash requirements are covered by the company's cash deposits. There is no need for bank overdraft facilities or committed credit facilities.

Foreign currency risk

As the main part of the future transactions in foreign currencies will be intercompany transactions, the company has decided not to hedge these transactions.

MANAGEMENT'S REVIEW

Events after the end of the financial year

No events have occurred from the balance sheet date and to this date that will change the assessment of the annual report.

Expectations to 2023

Operating expenses expected to exceed budget in accordance with board approval. This is driven by One Coop implementation from 2023 up until 2026, redesigning a vast number of products in the Coop portfolio. For 2023 the expected operating expenses are expected in an interval of 4-9 MDKK.

Corporate Social Responsibility and environmental conditions

Coop Trading is committed to responsible business conduct throughout our supply chains, while remaining an efficient sourcing company for the Nordic Coop Group.

Through our code of conduct we require suppliers to comply with the principles of the Business Social Compliance Initiative in relation to working conditions.

We are setting responsible product and quality standards towards our suppliers for the products to live up upon our standards. For all our customers can be given healthy and safe food and non-food products, while maintaining sustainable conditions.

In Coop Trading we strive to be an exceptional workplace for our employees. We are always focused to have a balance between working life, family life and our personal life. This is exemplified in our participation in "Great place to work" in which we rank among the best workplaces in Denmark.

For further information about CSR and environmental conditions we refer to Coop Denmark. information can be found at.

<https://info.coop.dk/kontakt/pressekontakt/aarsrapporter/>

Diversity and gender

In Coop Trading we strive to keep a high level of diversity hereof in our recruitments. But first and foremost, professional, and personal competencies come first. We are focused upon having balanced teams with a good diversity when it comes to gender, age, ethnicity etc.

In Coop Trading we are having a gender distribution of 2/3 of women driven by some business areas traditional have a predominance of women in the candidate field.

Among leaders with personnel responsibilities the distribution is 57%. 9 leaders are men, and 12 leaders are women. Which is in accordance with the target number defined by the Danish Business Authority of minimum 40%.

For further information regarding our corporate and social commitment, we refer to www.cooptrading.com

Data ethics

As we Coop Trading handles private label sourcing for the biggest cooperative retail companies in the Nordic region, we are highly aware of how we handle our data. We are using our data to enrich and identify ideas and bring them to the market.

Data types, use and third party

In our daily work we work two main areas of data concerning our products and vendors.

1. For our products this includes prices, specifications, logistics, volumes etc.
2. For our vendors this includes sites, contact persons, corporate responsibility information etc.

ACCOUNTING POLICIES

The annual report of Coop Trading A/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act for medium sized enterprises in reporting class C.

The annual report has been presented in accordance with the accounting policies used last year.

General information about recognition or measurement

Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities. Any costs, including depreciation, amortisation and write-down, are also recognised in the income statement.

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

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant effective interest over the term. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation of the difference between cost and nominal amount.

The recognition or measurement takes into account predictable losses and risks arising before the year-end reporting and which prove or disprove matters that existed at the balance sheet date.

The carrying amount of intangible and tangible fixed assets should be estimated annually to determine if there is any indication of impairment in excess of the amount reflected by normal amortisation or depreciation. If this is the case, write-down should be made to the lower recoverable amount.

INCOME STATEMENT

Sale of services

Sale of services is recognised in the income statement when the income generating activities have taken place.

Staff costs

Staff costs comprise salaries and wages as well as social security costs, pension contributions, etc for the Company's staff.

Depreciation, amortisation and write-down

Depreciation, amortisation and write-down of material and immaterial assets consists of the accounting year's depreciations and write-downs, calculated based on both the calculated residual

values and the expected useful lives of the of the assets, and testing of the write-down, and through profit and loss through sale of both material and immaterial assets.

ACCOUNTING POLICIES

Other operating expenses

Other operating expenses include expenses, incurred during the year in relation to the management and administration of the enterprise, including expenses related to office premises, stationery etc.

Financial income and expenses in general

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax on profit for the year

The tax for the year, which consists of the current tax for the year, is recognised in the income statement by the portion that can be attributed to the profit for the year and is recognised directly in the equity by the portion that can be attributed to entries directly to the equity

BALANCE SHEET

Tangible fixed assets

Other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-down.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value as follows:

	Useful life
Other plants, fixtures and equipment	3-10 Years

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised as depreciation in the income statement.

Fixed asset investment

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

ACCOUNTING POLICIES

Impairment of fixed assets

The carrying amount of tangible fixed assets together with investments, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Accounts receivable

Accounts receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Accruals

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Cash

Cash include cash and current investments.

Provision for liabilities

Provisions for liabilities include the expected cost of warranty commitments, restructuring etc. and deferred tax.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. The tax rate applied for the current year is 22%.

ACCOUNTING POLICIES

Liabilities

Other liabilities which include debt to suppliers, affiliates and associates and other debt are measured at amortised cost which usually corresponds to the nominal value. Accruals recognised as liabilities include payments received regarding income in subsequent years.

Accrued income under liabilities comprise deferred income received in current accounting year but is related to income in subsequent year. Other liabilities are measured at nominal value.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Accounts receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivable or payable is recognised in the income statement as financial income or expenses.

The income statements of foreign subsidiary enterprises and associates fulfilling the criteria for being independent entities are translated at an average exchange rate for the month and balance sheet items are translated at the rate of exchange on the balance sheet date. Exchange differences arising from translation of the equity of the foreign subsidiaries at the beginning of the year to the rates of the balance sheet date and from translation of income statements from average rate to the rates of the balance sheet date are recognised directly in the equity.

CASH FLOW STATEMENT

The cash flow statement shows the company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash of the year and cash at beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital, corporation tax paid, and payment of dividend to shareholders.

Cash flows from investing activities

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt.

INCOME STATEMENT 1 JANUARY – 31 DECEMBER

(DKK '000)

	Note	2022	2021
Sale of services.....	1	123,061	115,134
GROSS PROFIT		123,061	115,134
Staff costs	2	(89,373)	(84,718)
Other operating expenses.....	3	(29,121)	(27,609)
OPERATING PROFIT		4,567	2,807
Financial income	4	735	304
Financial expenses	4	(586)	(571)
PROFIT BEFORE TAX		4,716	2,540
Tax on profit for the year	5	0	5
PROFIT FOR THE YEAR.....		4,716	2,545
PROPOSED DISTRIBUTION OF PROFIT			
Retained profit.....		4,716	2,545
TOTAL.....		4,716	2,545

BALANCE SHEET 31 DECEMBER

(DKK '000)

ASSETS	Note	2022	2021
Other plants, fixtures and equipment.....	6	0	0
Tangible fixed assets		0	0
Other receivables.....	7	13	13
Fixed asset investments.....		13	13
FIXED ASSETS		13	13
Receivables from associates		6,559	13,962
Prepayments	8	548	1,229
Other receivables		16,660	1,182
Accounts receivable.....		23,767	16,373
Cash		58,370	60,032
CURRENT ASSETS.....		82,137	76,405
ASSETS.....		82,149	76,418
Contingent assets	9		

BALANCE SHEET 31 DECEMBER

(DKK '000)

EQUITY AND LIABILITIES	Note	2022	2021
Share capital	10	50,004	50,004
Retained profit.....		11,153	6,436
EQUITY		61,157	56,440
Accruals.....		3,496	4,285
Debt to associates		7,409	0
Other debt		10,088	15,693
Current liabilities		20,993	19,978
LIABILITIES		20,993	19,978
EQUITY AND LIABILITIES		82,149	76,418

**Equity
DKK ('000)**

	Share capital	Retained earnings	Total
Equity 1 January 2022	50,004	6,436	56,440
Transactions with shareholders.....	0	0	0
Proposed distribution of profit for the year	0	4,716	4,716
Equity 31 December 2022	50,004	11,152	61,156

CASH FLOW STATEMENT 1 JANUARY – 31 DECEMBER

(DKK '000)

	Note	2022	2021
Result before financial items		4,567	2,807
Depreciation.....		0	0
Changes in working capital.....	12	(16,136)	6,876
Cash flow generated from operation before financial items.....		(11,569)	9,683
Interests received.....		735	304
Interests paid.....		(586)	(571)
Company tax received		0	5
CASH FLOWS FROM OPERATING ACTIVITIES		(11,420)	9,421
Payments of debt from associates.....		9,757	(11,290)
Equity reduction		0	0
CASH FLOW FROM FINANCING ACTIVITIES		9,757	(11,290)
CASH FLOW FOR THE YEAR.....		(1,663)	(1,869)
Cash and cash equivalents at 1 January.....		60,033	61,901
CASH AND CASH EQUIVALENTS AT 31 DECEMBER		58,369	60,032

NOTES

(DKK '000)

Note

Sale of services

1

The item includes fee for joint administration of purchase of groceries and nonfood to the retail chains.

Split of sales and services per activity and geography is not disclosed in accordance with section 96 of the Danish Financial Statements Act.

	2022	2021	
Staff costs			2
Average number of employees.....	123	111	
Amount of total staff costs:			
Wages and salaries	(73,038)	(69,272)	
Pensions.....	(7,719)	(7,259)	
Other social security costs.....	(1,984)	(2,465)	
Other staff-related costs	(6,633)	(5,722)	
Total.....	(89,373)	(84,718)	

Remuneration of management is not disclosed in accordance with section 98 b (3) of the Danish Financial Statements Act.

Fee to auditors appointed by the General Meeting

3

Fee regarding statutory audit.....	(85)	(85)	
Total.....	(85)	(85)	

NOTES

(DKK '000)

	2022	2021	Note
Financial figures			4
Income			
Other financial income	585	61	
Interest income from associates	150	243	
Total.....	735	304	
Expenses			
Other financial costs	(527)	(562)	
Interest expenses to associates	(59)	(9)	
Total.....	(586)	(571)	
Tax on profit for the year			5
Computed tax on taxable income of the year	0	0	
Adjustment of deferred tax.....	0	0	
Adjustment of tax previous years	0	5	
Total	0	5	

NOTES

(DKK '000)

	2022	2021	Note
Deposits			7
Cost 1 January	13	13	
Adjustment of deposits previous years	0	0	
Cost 31 December.....	13	13	
Carrying amount 31 December.....	13	13	
Prepayments			8
Prepaid expenses	548	1,229	
Total.....	548	1,229	

NOTES

Note

(DKK '000)

Contingent assets

9

The company has a deferred tax asset at **TDKK 280,587** which is not recognized in the financial statement. The deferred tax asset comprises deferred tax on tangible fixed assets and tax losses to be carried forward.

Contingent liabilities

The company's total rental and lease liabilities are **TDKK 1,608** at the balance sheet date. The average duration is approximately two years.

10

Share capital	2022	2021	2020	2019	2018
Share capital has developed as follows:					
Shared capital at 1. January	50,004	50,004	75,000	75,000	75,000
Capital decrease	0	0	24,996	0	0
Total	50,004	50,004	50,004	75,000	75,000

The share capital consists of 4 shares in the denomination of DKK ('000) 12,501 each.

The share capital is owned by Coop Danmark A/S, Coop Norge Handel AS, Suomen Osuuskauppojen Keskuskunta and Coop Sverige AB.

NOTES

(DKK '000)

	2022	2021	Note
Changes in working capital			11
Prepayments and accrued income	681	810	
Other receivables.....	(15,480)	14,007	
Long term debt.....	0	(7,172)	
Accruals.....	(788)	851	
Other debt.....	(5605)	(1,620)	
Total.....	(21,192)	6,876	

INTRANOTE signing

Signatures in this document are legally binding.
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The Signers identity has been registered and the signers are listed below

With my signature, I confirm the content and dates in this document

Per Thau

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Ingrid Amundsen

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Jari Simolin

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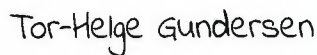
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Michael la Cour

On behalf of: Coop Trading

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Date: 2023-03-16 07:03 (UTC)



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The Signers identity has been registered and the signers are listed below

With my signature, I confirm the content and dates in this document