

Coca-Cola Nordic Services ApS

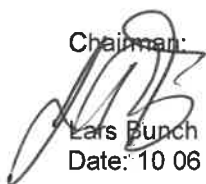
Philip Heymans Alle 17, 1., 2900 Hellerup

CVR no. 20 89 53 49

Annual report for the year ended 31 December 2023

Approved at the Company's annual general meeting

Chairman:



Lars PUNCH

Date: 10 06 2024

CONTENTS

	Pages
COMPANY DETAILS	1
STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT	2
INDEPENDENT AUDITORS' REPORT	3-5
MANAGEMENT'S REVIEW	6
FINANCIAL STATEMENTS	
Income statement	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10-16

COMPANY DETAILS

Incorporated on 1.4.1998

Coca-Cola Nordic Services ApS
Philip Heymans Alle 17, 1.
2900 Hellerup

Tel: +45 39 45 47 00
Fax: +45 39 45 47 48

Board of directors

Tülay Kiyildi
Klaus Borello
Enrique Delgado

Executive board

Klaus Borello

Parent

Refreshment Product Services Inc. Atlanta, USA

Auditors

EY Godkendt Revisionspartnerselskab
Lysholt Allé 10
7100 Vejle
Denmark

Bankers

Danske Bank

Citibank

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

Today, management has discussed and approved the annual report of Coca-Cola Nordic Services ApS for the financial year 1 January - 31 December 2023.

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


In our opinion, the company financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Managements' review gives a fair review of the development in the company's operations and financial matters and the results of the company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Date: 06 June 2024

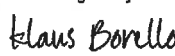
Executive Board:

DocuSigned by:

AGACB4169277407...
Klaus Borello

Board of directors:

DocuSigned by:

E9E93573EDD245E
Tülay Kiyildi
Chairman

DocuSigned by:

AGACB4169277407...
Klaus Borello
Director

DocuSigned by:

884E0E41C63243A...
Enrique Delgado
Director

Coca-Cola Nordic Services ApS
Independent auditors' report
To the shareholders of Coca-Cola Nordic Services ApS

Opinion

We have audited the financial statements of Coca-Cola Nordic Services ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis of 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 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 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.

Auditor's responsibilities for the audit of the financial statements (continued)

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's review

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.


Auditor's responsibilities for the audit of the financial statements (continued)

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.

Date

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

DocuSigned by:

2F3FB807C6B0477...
Claus E. Andreasen
State Authorised Public Accountant
mne16652

MANAGEMENT'S REVIEW

Business activities and mission

The company's main activities consist in providing services, including brand marketing advice to S.A. Coca Cola Services N.V. in the Nordic countries.

Business review

The company's income statement for the year ended 31 December 2023 shows a net profit of DKK 2.635.672, and the balance sheet at 31 December 2023 shows equity of DKK 35.646.836.

No Dividend was proposed by the board for 2023 (2022 Dividend: 0 DKK)

Knowledge resources

The company is staffed with highly trained specialists within the fields of relevance to the company's main activities.

Events after the balance sheet date

There are no events to report after the balance sheet date.

INCOME STATEMENT

	Note	2023 DKK	2022 DKK
Gross margin		43.281.834	44.826.648
Staff costs	2	(39.811.309)	(40.950.988)
Depreciation, amortisation and impairment losses	6	(237.639)	(479.936)
Profit before net financials		3.232.886	3.395.724
Financial income	3	193.434	72.088
Finance expenses	4	(37.112)	(281.458)
Profit before tax		3.389.208	3.186.354
Tax for the year	5	753.536	705.788
Net profit for the year		2.635.672	2.480.566
 Profit to be appropriated:			
Transfer to retained earnings		2.635.672	2.480.566
		<u>2.635.672</u>	<u>2.480.566</u>

BALANCE SHEET at 31 December

	Note	2023 DKK	2022 DKK
ASSETS			
Property, plant and equipment			
Machinery and equipment		706.258	365.795
Total property, plant and equipment	6	706.258	365.795
Deposits		754.350	754.350
Financial assets	7	754.350	754.350
Total fixed assets		1.460.608	1.120.145
Current assets			
Receivables from group enterprises	8	36.830.643	30.127.986
Joint taxation receivable		4.712.571	5.300.285
Income tax receivable		2.735.837	1.588.476
Other receivables		171.217	560.561
Prepayments		993.342	931.009
Receivables		45.443.610	38.508.317
Cash		6.588.235	8.512.764
Total current assets		52.031.845	47.021.081
TOTAL ASSETS		53.492.453	48.141.226
EQUITY AND LIABILITIES			
Equity			
Share capital	10	1.000.000	1.000.000
Retained earnings		34.646.836	32.011.164
Total equity		35.646.836	33.011.164
Non-current liabilities			
Provision for deferred tax		145.391	128.067
Total provisions		145.391	128.067
Current liabilities			
Trade payables		1.752.706	1.547.902
Debt to group enterprises		1.059.870	895.421
Other payables		14.887.650	12.558.672
Short-term liabilities other than provisions		17.700.226	15.001.995
Total liabilities other than provisions		17.700.226	15.001.995
Total equity and liabilities		53.492.453	48.141.226
Contingent liabilities and other financial obligations			
Related parties	11		
Events after the balance sheet date	12		
	13		

(DKK)

	Share Capital	Retained earnings	Total
Equity at 1 January 2022	1.000.000	32.011.164	33.011.164
Profit for the year	-	2.635.672	<u>2.635.672</u>
Equity at 31 December 2023	1.000.000	34.646.836	<u>35.646.836</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The annual report of Coca-Cola Nordic Services ApS for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

1.1 Reporting currency

The financial statements are presented in Danish kroner.

1.2 Currency retranslation

Transactions in foreign currency are translated into Danish kroner at the exchange rate at the date of the transaction.

Monetary items in foreign currency are translated into Danish kroner at the exchange rates at the balance sheet date. Realised and unrealised exchange gains and losses are recognised in the income statement as financial income/expenses.

1.3 Income statement

(a) Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition. Income comprise of cost plus revenue, Income from services is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably. VAT, indirect taxes and discounts are excluded from the revenue.

(b) Gross margin

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of goods sold', 'Raw materials and consumable', 'Other operating income' and 'Other external expenses' are consolidated into one item designated 'Gross margin'.

(c) Other external expenses

Other external expenses include expenses related to advertising, administration, premises, bad debts, lease payments under operating leases, etc.

(d) Staff costs

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

(e) Amortisation/depreciation and write-downs

The item includes depreciation and write downs of property, plant and equipment. Depreciation is provided using the straight line method on a fair value basis and the below assessments of the useful lives of the assets.

Property, plant and equipment are depreciated on a straight line basis, based on fair value, measured by reference to the following assessment of the useful lives:

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies (continued)

(e) Amortisation/depreciation and write-downs (continued)

	useful life
Machinery and equipment	3-10 years
Leasehold	8 years

Gains or losses on the sale of fixed assets are recognised in the income statement under 'Amortisation/depreciation'. The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further amortisation charges are recognised. In case of changes in the residual value, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates.

(f) Other operating income

Other operating income is recognised in the income statement at the amounts that relate to the reporting period. Other operating income relates to income from the sublease of a portion of the office building.

(g) Net financials

Financial income and expenses are recognised in the income statement at the amounts that relate to the reporting period. Net financials include interest income and expenses, dividends declared, financial expenses related to finance leases, realised and unrealised capital and exchange gains and losses on securities and foreign currency transactions and surcharges and allowances under the advance payment of tax scheme, etc.

(h) Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments less the share of the tax for the year that concerns changes in equity.

Current and deferred taxes related to items recognised directly in equity are taken directly to equity. All Danish group enterprises are jointly taxed. The Danish income tax charge is allocated between profit making and loss making Danish enterprises in proportion to their taxable income (full allocation method). The Company acts as a management company for all the companies encompassed by the joint taxation arrangement, meaning that the Company is responsible for ensuring that taxes, etc. are paid to the Danish tax authorities.

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

1.4 Balance sheet

(a) Property, plant and equipment

Property, plant and equipment comprise leasehold improvements and machinery and equipment. Property, plant and equipment are measured at fair value.

An impairment test is made for property, plant and equipment if there are indications of decreases in value. The impairment test is made for each individual asset or group of assets, respectively. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies (continued)

(a) Property, plant and equipment (continued)

(b) Other securities and investments

Securities and investments are made up of deposits. These deposits are measured at nominal value.

(c) Receivables

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

(d) Prepayments

Prepayments recognised under current assets comprise expenses incurred concerning subsequent financial years.

(e) Cash and cash equivalents

Cash comprises bank balances.

Balances in the group's cash pool scheme are not, due to the nature of the scheme, considered cash, but are recognised under 'Receivables from group entities'.

(f) Income tax

Current tax charges are recognised in the balance sheet as the estimated tax charge in respect of the expected taxable income for the year, adjusted for tax on prior years' taxable income and tax paid in advance.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or a set-off against deferred tax liabilities.

(g) Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

NOTES TO THE FINANCIAL STATEMENTS

2. Staff costs

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

	2023	2022
	DKK	DKK
Analysis of staff costs:		
Wages and salaries	37.180.003	38.889.878
Pensions	2.158.660	1.851.959
Other social security costs	57.367	50.870
Other staff costs	415.279	158.281
	<u>39.811.309</u>	<u>40.950.988</u>
Average number of employees	27	23

3. Other financial income

	2023	2022
	DKK	DKK
Intercompany interests	140.225	-
Other interest receivable, exchange gains and similar income	53.209	72.088
	<u>193.434</u>	<u>72.088</u>

4. Financial expenses

	2023	2022
	DKK	DKK
Net exchange differences	37.112	231.546
Interest expenses to related parties	-	49.912
	<u>37.112</u>	<u>281.458</u>

NOTES TO THE FINANCIAL STATEMENTS

5. Tax for the year

	2023	2022
	DKK	DKK
Tax for the year		
Tax on taxable income for the year	698.592	739.238
Change in provision for deferred tax	54.944	(33.450)
	<u>753.536</u>	<u>705.788</u>

6. Property, plant and equipment

In DKK

	Machinery and equipment	Leasehold improvements	Total
Cost			
Balance at 1 January 2023	8.328.046	3.461.942	11.789.988
Additions in the year	578.102	-	578.102
Disposals in the year	(2.982.470)	-	(2.982.470)
Cost at 31 December 2023	<u>5.923.678</u>	<u>3.461.942</u>	<u>9.385.620</u>
Depreciation and write downs			
Balance at 1 January 2023	(7.962.251)	(3.461.942)	(11.424.193)
Depreciation in the year	(237.639)	-	(237.639)
Depreciation and write downs of disposals and scrapped assets	2.982.470	-	2.982.470
Depreciation and write-downs at 31 December 2023	<u>(5.217.420)</u>	<u>(3.461.942)</u>	<u>(8.679.362)</u>
Carrying amount at 31 December 2023	<u>706.258</u>	<u>-</u>	<u>706.258</u>

7. Financial assets

	Deposits
In DKK	
Cost at 1 January 2023	754.350
Additions	-
Disposals	-
Cost at 31 December 2023	<u>754.350</u>
Carrying amount at 31 December 2023	<u>754.350</u>

NOTES TO THE FINANCIAL STATEMENTS

8. Receivables from group enterprises

Receivables from group companies comprise cash pooling scheme with Beverage Financial Centre Unlimited Company.

9. Prepayments

	2023	2022
	DKK	DKK
Insurance prepaid	19.426	31.009
Rent prepaid	900.000	900.000
Other prepaid	73.917	-
	<u>993.343</u>	<u>931.009</u>

10. Share capital

During the last 5 years, the contributed capital has remained DKK 1.000.000.

11. Contingent liabilities and other financial obligations

11.1 Contingent liabilities

The company is jointly taxed with its sister company, Refreshment Products Denmark ApS (31427746) and Innocent ApS (29601224). Coca-Cola Nordic Services ApS acts as a Danish tax management company and along with other group entities jointly taxed is liable for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

11.2 Other financial obligations

	2023	2022
	DKK	DKK
Rent payments concerning contract that is interminable until 30/04/2024	4.289.603	4.289.603
Payments under operating lease concerning cars and computer equipment	<u>1.771.806</u>	<u>1.379.046</u>

Rent liabilities include rent obligations totalling DKK 4,289,603 in interminable rent agreements until 31/12/2024.

Lease liabilities include lease obligations totalling DKK 593,778 in interminable lease agreements until 31 Dec 2024, and DKK 524,887 in interminable lease agreements until 31 December 2025 and DKK 483,743 in interminable lease agreements until 31 December 2026 and DKK 169,398 in interminable lease agreements until 31 December 2027.

NOTES TO THE FINANCIAL STATEMENTS

12. Related parties

The Company is a cost plus company, and costs are covered by Coca Cola Services S.A., Belgium. The Coca-Cola Company located at One Coca-Cola Plaza, Atlanta, USA, incorporated in Delaware, USA, is the ultimate parent company and holds as such a controlling interest of 100%. The name of the parent of the group in whose consolidated financial statements the Company's financial statements are consolidated is The Coca-Cola Company.

The financial statements are available upon request from The Coca-Cola Company, Po Box 1734, Atlanta, Georgia 30301, United States of America.

13. Events after the balance sheet date

There are no events to report after the balance sheet date.