

NEWREST DENMARK A/S
A.P. Møllers Allé 65
2791 Dragør

Annual report for 2022/23

Adopted at the annual general meeting on
19 January 2024



Olivier René Albert Sadran
chairman

CVR-nr. 25 49 04 36

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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory board and executive board have today discussed and approved the annual report of NEWREST DENMARK A/S for the financial year 1 October 2022 - 30 September 2023.

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


In our opinion, the financial statements give a true and fair view of the company's financial position at 30 September 2023 and of the results of the company's operations for the financial year 1 October 2022 - 30 September 2023.

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

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

Dragør, 19 January 2024

Executive board



Alexandre Xavier Georges Lelièvre
Director

Supervisory board




Olivier René Albert Sadran
chairman



Frederic Daniel Hillion



Wend-Kuni Sylvie Ouedraogo



Jonathan Edward Stent-Torriani

INDEPENDENT AUDITOR'S REPORT

To the shareholder of NEWREST DENMARK A/S

Opinion

We have audited the financial statements of NEWREST DENMARK A/S for the financial year 1 October 2022 - 30 September 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. 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 company's financial position at 30 September 2023 and of the results of the company's operations for the financial year 1 October 2022 - 30 September 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 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 and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

The company is loss making, and are dependent on funding from the group. As a result there is uncertainty related to going concern. We refer to note 1 in the Annual report. Our conclusion is not modified as a result of this matter.

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 the 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.

INDEPENDENT AUDITOR'S REPORT

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 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 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 management's review

Management is responsible for management's review.

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

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

INDEPENDENT AUDITOR'S REPORT

Based on the work we have performed, we conclude that 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 management's review.

Copenhagen, 19 January 2024

MAZARS

Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41

Leon Fagerlind
Statsautoriseret revisor
MNE no. mne49914

COMPANY DETAILS

The company	NEWREST DENMARK A/S A.P. Møllers Allé 65 2791 Dragør
	Telephone: 47 38 44 84
	CVR no.: 25 49 04 36
	Reporting period: 1 October 2022 - 30 September 2023
	Domicile: Dragør
Supervisory board	Olivier René Albert Sadran, chairman Frederic Daniel Hillion Wend-Kuni Sylvie Ouedraogo Jonathan Edward Stent-Torriani
Executive board	Alexandre Xavier Georges Lelièvre, director
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Midtermolen 1, 2.tv. 2100 København Ø

MANAGEMENT'S REVIEW

Business review

The company's main activity is catering and other services to airlines in Denmark.

Financial review

The company's income statement for the year ended 30 September 2023 shows a loss of DKK 20.194.745, and the balance sheet at 30 September 2023 shows negative equity of DKK 55.733.715.

The company has received a letter of support from Newrest Group Holding S.A.

Newrest Group Holding S.A. has committed to provide Newrest Denmark A/S with the financial support necessary to continue its operations for at least the next 12-month period from 30 September 2023, including supporting Newrest Denmark A/S's ability to pay its obligations as they fall due.

On this basis, management has concluded, that the company can continue its operations.

Significant events occurring after the end of the financial year

The company will be closing its BLL unit in February 2024.

ACCOUNTING POLICIES

The annual report of NEWREST DENMARK A/S for 2022/23 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

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

The annual report for 2022/23 is presented in DKK

Basis of recognition and measurement

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

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

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

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

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

Income statement

Gross profit

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

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

ACCOUNTING POLICIES

Other external expenses

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

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of property, plant and equipment

Depreciation, amortisation and impairment of property, plant and equipment comprise the year's depreciation, amortisation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, liabilities and foreign currency transactions and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

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

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

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

	Useful life	Residual value
Property, plant and equipment	3-7 years	0 %

Assets costing less than DKK 33.100 are expensed in the year of acquisition.

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

ACCOUNTING POLICIES

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of finished goods includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Dividends

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

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

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

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

Liabilities

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

Foreign currency translation

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

INCOME STATEMENT 1 OCTOBER - 30 SEPTEMBER

	Note	2022/23 DKK	2022 (9 months) DKK
Gross profit		180.667.663	-2.011.702
Staff costs	2	-191.268.814	-14.900.720
Profit/loss before amortisation/depreciation and impairment losses		-10.601.151	-16.912.422
Depreciation, amortisation and impairment of property, plant and equipment		-7.584.303	-15.927
Profit/loss before net financials		-18.185.454	-16.928.349
Financial income		67.810	5.099
Financial costs	3	-2.077.101	-917.657
Profit/loss for the year		-20.194.745	-17.840.907
Retained earnings		-20.194.745	-17.840.907
		-20.194.745	-17.840.907

BALANCE SHEET 30 SEPTEMBER

	Note	2022/23 DKK	2022 (9 months) DKK
ASSETS			
Other fixtures and fittings, tools and equipment	4	52.786.752	36.436.595
Tangible assets		52.786.752	36.436.595
Deposits		4.902.138	4.964.907
Fixed asset investments		4.902.138	4.964.907
Total non-current assets		57.688.890	41.401.502
Raw materials		374.892	608.231
Stocks		374.892	608.231
Trade receivables		67.270.449	2.241.693
Receivables from group companies		2.436.226	4.396.432
Other receivables		10.074.258	5.933.906
Prepayments		3.617.040	1.588.738
Receivables		83.397.973	14.160.769
Cash at bank and in hand		4.609.423	4.640.208
Total current assets		88.382.288	19.409.208
Total assets		146.071.178	60.810.710

BALANCE SHEET 30 SEPTEMBER

	Note	2022/23 DKK	2022 (9 months) DKK
EQUITY AND LIABILITIES			
Share capital		500.000	500.000
Retained earnings		-56.233.715	-36.038.970
Equity		-55.733.715	-35.538.970
Payables to group companies		158.792.281	79.440.531
Total non-current liabilities	5	158.792.281	79.440.531
Trade payables		5.335.894	9.867.595
Payables to group companies		4.919.573	1.583.016
Other payables		24.946.084	1.894.564
Deferred income		7.811.061	3.563.974
Total current liabilities		43.012.612	16.909.149
Total liabilities		201.804.893	96.349.680
Total equity and liabilities		146.071.178	60.810.710

STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 October 2022	500.000	-36.038.970	-35.538.970
Net profit/loss for the year	<u>0</u>	<u>-20.194.745</u>	<u>-20.194.745</u>
Equity at 30 September 2023	<u><u>500.000</u></u>	<u><u>-56.233.715</u></u>	<u><u>-55.733.715</u></u>

NOTES

1 UNCERTAINTY ABOUT THE CONTINUED OPERATION (GOING CONCERN)

The company has received a letter of support from Newrest Group Holding S.A. Newrest Group Holding S.A has committed to provide Newrest Denmark A/S with the financial support necessary to continue its operations for at least the next 12-month period from 30 September 2023, including supporting Newrest Denmark A/S's ability to pay its obligations as they fall due. On this basis, management has concluded, that the company can continue it's operations and the financial statements are therefore presented on a going concern basis.

	2022/23 DKK	2022 (9 months) DKK
2 STAFF COSTS		
Wages and salaries	157.440.902	12.848.817
Pensions	18.648.506	1.974.705
Other social security costs	649.632	33.542
Other staff costs	14.529.774	43.656
	191.268.814	14.900.720
 Number of fulltime employees on average	 296	 28

3 FINANCIAL COSTS

Financial expenses, group entities	883.834	428.074
Other financial costs	62.768	129.516
Exchange loss	1.130.499	360.067
	2.077.101	917.657

4 TANGIBLE ASSETS

	Other fixtures and fittings, tools and equipment
Cost at 1 October 2022	39.037.531
Additions for the year	23.934.460
Disposals for the year	-432.773
Cost at 30 September 2023	62.539.218

NOTES

	<u>Other fixtures and fittings, tools and equipment</u>
Impairment losses and depreciation at 1 October 2022	2.600.936
Depreciation for the year	7.584.303
Impairment and depreciation of sold assets for the year	<u>-432.773</u>
Impairment losses and depreciation at 30 September 2023	<u>9.752.466</u>
Carrying amount at 30 September 2023	<u><u>52.786.752</u></u>

5 LONG TERM DEBT

	Debt at 1 October 2022	Debt at 30 September 2023	Instalment next year	Debt outstanding after 5 years
Payables to group companies	<u>79.440.531</u>	<u>158.792.281</u>	<u>0</u>	<u>158.784.031</u>
	<u><u>79.440.531</u></u>	<u><u>158.792.281</u></u>	<u><u>0</u></u>	<u><u>158.784.031</u></u>

6 CONTINGENT LIABILITIES

The Company has entered into an 11-year lease agreement for premises which can be terminated with effect from 1 January at the earliest 2033. Termination can then be done by both parties with 12 months' notice. The rent obligation amounts to DKK 64 million.

7 RELATED PARTIES AND OWNERSHIP STRUCTURE

Consolidated financial statements

The company is reflected in the group report as the parent company Newrest Group Holding S.A.

The group report of Newrest Group Holding S.A. can be obtained at the following address:

AMB Barajas Logistic Park, Avenida Central n42, modulos M y N, 28042 Madrid - Spain.