

Caffé River Scandinavia ApS

Skudehavnsvej 34 B, 2150 Nordhavn

CVR-number 26 79 65 55

Annual Report 2023

Financial year: 01.01.2023 – 31.12.2023

Approved at the annual general meeting of shareholders on 24/6-2024

Marco Dalla Ragione
Chairman

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Company Information

The Company	Caffé River Scandinavia ApS Skudehavnsvej 34 B 2150 Nordhavn
Executive Manager	Mads Bordinggaard Madsen
Board of Directors	Marco Dalla Ragione Mads Bordinggaard Madsen
Auditors	Aaen & Co. statsautoriserede revisorer p/s Kongevejen 3 3000 Helsingør
Bankers	Danske Bank
Financial year	1 January - 31 December

Management's Review

Description of significant activities of entity

The Company's objective is trade in coffee, related products and equipment and related business areas.

Significant changes in the company's activities and financial affairs

Apart from the below mentioned there has been no significant changes in the activities and financial position during the financial year.

The owners have decided to transfer the liquidity necessary for the company to pay all demands the coming year. Furthermore the owners have agreed to step back with their demands on the company so other creditors shall be paid in advance of the owners claim.

The Annual Report has been prepared under the going concern assumption.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Management's Statement on the Annual Report

The Board of Directors and the Executive Board have today discussed and approved the Annual Report 2023 of Caffé River Scandinavia ApS.

The Annual Report was prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Annual Report gives a true and fair view of the Company's financial position at 31 December 2023 and the results of operations for the financial year 1 January - 31 December 2023 of the Company.

In our opinion, the Management's review includes a fair review of the matters discussed in the Management review.

The Management considers the conditions for opting out of auditing to be met.

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

Copenhagen June 24, 2024

Executive Manager

Mads Bordinggaard Madsen

Board of Directors

Marco Dalla Ragione

Mads Bordinggaard Madsen

Practitioner's compilation report

To the Management of Caffé River Scandinavia ApS:

We have compiled the accompanying financial statements of Caffé River Scandinavia ApS for the financial year 1. January - 31. December 2023 for the financial year ended 31. December 2023 based on information you have provided.

These financial statements comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Elsinore, June 24, 2024

Aaen & Co. statsautoriserede revisorer p/s
Kongevejen 3, 3000 Elsinore - CVR 33 24 17 63

Søren Appelrod
State Authorised Public Accountant
MNE23301

Accounting Policies

Basis of accounting

The Annual Report of Caffé River Scandinavia ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B. Management has chosen to follow certain rules from reporting class C.

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

Reporting currency

The financial statements are presented in Danish kroner.

Recognition and measurement

Revenues are recognised in the income statement as earned, which includes recognition of value adjustments of financial assets and liabilities. Furthermore, all expenses incurred, including depreciation, amortisation and impairment losses, are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any deductions and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report, which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment, are recognised in financial income and expenses in the income statement. If foreign exchange positions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. The difference between the exchange rate at the balance sheet date and the rate at the time of origin of the receivable or debt is recognised in financial income and expenses in the income statement.

Fixed assets purchased in foreign currencies are measured at the rate of exchange at the date of transaction.

Income Statement

Gross profit

With reference to section 32 of the Danish financial statements act, the items "Revenue", "Cost of sale", "Other external expenses" and "Other operating income" are consolidated into one item designated "Gross profit".

Accounting Policies

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (percentage-of-completion method). Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff expenses

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. The items is net of refunds made by public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts relating to the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised exchange gains and losses concerning debt and transactions in foreign currencies as well as extra payments and repayment under the on-account taxation scheme.

Corporation tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Accounting Policies

Balance Sheet

Fixtures, fittings, tools and equipment

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

Depreciation is based on cost reduced by any expected residual value after the period of use.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures, fittings, tools and equipment	5	Years
-----------------------------------------------	---	-------

Gains or losses on sale of property, plant and equipment are calculated as the difference between the sales price less sales expenses and the carrying amount at the time of the sale.

Inventories

Inventories are measured at cost or net realizable value when this is lower. Write-down is made on obsolete goods including slow-moving goods.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank balances.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts because of objective evidence that a receivable or a group of receivables are impaired. Write-downs are made to the lower of the net realisable value and the carrying amount. Investments comprise rent deposits, which is measured at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities, which are subject to an insignificant risk of changes in value.

Accounting Policies

Corporation tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the balance sheet as calculated tax on the taxable income for the year adjusted for tax on previous years' taxable income as well as for taxes paid on account.

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. In cases, of concerning shares, where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured based on the intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be either realised, by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction. Any deferred net tax assets are measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallised as current tax.

Debt

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Profit and loss account 1 January - 31 December

Note	2023	2022
	978.939	698.643
	978.939	698.643
1 Employee expense	1.193.842	1.218.331
2 Depreciations	45.032	104.811
	-259.935	-624.499
	-259.935	-624.499
4 Financial income	0	0
3 Financial expenses	40.987	18.381
	-300.922	-642.880
	-300.922	-642.880
Tax expense on ordinary activities	0	0
	-300.922	-642.880
	-300.922	-642.880
Proposed distribution of results:		
Retained earnings	-300.922	-642.880
	-300.922	-642.880
Profit for the year distributed	-300.922	-642.880

Balance sheet 31 December

Assets

Note	2023	2022
5 Fixtures, fittings, tools and equipment	0	202.725
Non-current assets	0	202.725
Manufactured goods and goods for resale	944.079	801.011
Inventories	944.079	801.011
Trade receivables	217.229	250.778
Other receivables	116.939	175.261
Receivables	334.168	426.039
Cash and cash equivalents	289.764	201.540
Current assets	1.568.011	1.428.590
Total assets	1.568.011	1.631.315

Balance sheet 31 December

Liabilities

Note	2023	2022
Share capital	125.000	125.000
Retained earnings	-7.430.255	-7.129.333
Equity	-7.305.255	-7.004.333
6 Subordinate loan capital	7.430.255	7.129.333
Long-term debt	7.430.255	7.129.333
Other credit institutions	897	0
6 Payables to group enterprises	877.666	635.914
Trade payables	0	208.385
Other payables	564.448	662.016
Short-term debt	1.443.011	1.506.315
Total liabilities	8.873.266	8.635.648
Total liabilities and equity	1.568.011	1.631.315
7 Contingent liabilities		

Equity Statement

	Share capital	Retained earnings	Proposed dividend	Total
Equity 1. januar 2022	125.000	-6.486.453	0	-6.361.453
Dividends paid	0	0	0	0
Profit of the year	0	-642.880	0	-642.880
Equity 31. december 2022	125.000	-7.129.333	0	-7.004.333
Equity 1. januar 2023	125.000	-7.129.333	0	-7.004.333
Dividends paid	0	0	0	0
Profit of the year	0	-300.922	0	-300.922
Equity 31. december 2023	125.000	-7.430.255	0	-7.305.255

Notes

	2023	2022
	<u> </u>	<u> </u>
1 Employee expense		
Wages and salaries	1.019.302	1.043.791
Pensions	174.540	174.540
	<u>1.193.842</u>	<u>1.218.331</u>
The average number of full-time employees	<u>3</u>	<u>3</u>
2 Depreciations		
Fixtures, fittings and equipment	45.032	207.216
	<u>45.032</u>	<u>207.216</u>
3 Financial expences		
Net foreign exchange transaction losses	25.228	2.601
Other interest expenses	15.759	15.780
	<u>40.987</u>	<u>18.381</u>
4 Financial income		
Other interest income	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

Notes

	2023	2022
5 Fixtures, fittings, tools and equipment		
Cost, beginning of the year	468.947	1.177.027
Additions for the year	0	98.136
Disposal for the year	268.343	806.216
Cost, end of the year	200.604	468.947
Amortisation, beginning of the year	266.222	967.627
Depreciation for the year	45.032	104.811
Reversed depreciations on disposal for the year	110.650	806.216
Depreciations, end of the year	200.604	266.222
Carrying amount, end of the year	0	202.725
6 Short-term payables to group enterprises		
Payables to group enterprise	8.307.921	7.765.247
Of this transferred to long-term debt (subordinate loan capital)	-7.430.255	-7.129.333
	877.666	635.914

Subordinate loan capital

The Company's controlling shareholder has issued a letter of subordination to other creditors in an amount corresponding to the Company's retained loss. The letter of subordination applies until the sharecapital has been restored or until 31 December 2024, depending on which event comes first.

7 Contingent liabilities

There are no liabilities