
CC Fly Holding II A/S

Skindergade 7, DK-1159 København K

Annual Report for 2023

CVR No. 39 40 22 46

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 30/6 2024

Jesper Schaltz
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of CC Fly Holding II A/S for the financial year 1 January - 31 December 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 financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 30 June 2024

Executive Board

Adam Nederby Falbert
CEO

Board of Directors

Claus Juel Jensen
Chairman

Vilhelm Eigil Hahn-Petersen
Vice chairman

Adam Nederby Falbert

Morten Nødgaard Albæk

Rasmus Philip Buhl Lokvig

Sophie Louise Knauer

Independent Auditor's report

To the shareholder of CC Fly Holding II A/S

Opinion

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.

We have audited the Financial Statements of CC Fly Holding II A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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' 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 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 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.

Independent Auditor's report

- 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.

Hellerup, 30 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jacob F Christiansen
State Authorised Public Accountant
mne18628

Kristian Højgaard Carlsen
State Authorised Public Accountant
mne44112

Company information

The Company	CC Fly Holding II A/S Skindergade 7 1159 København K CVR No: 39 40 22 46 Financial period: 1 January - 31 December Incorporated: 12 February 2018 Municipality of reg. office: København
Board of Directors	Claus Juel Jensen, chairman Vilhelm Eigil Hahn-Petersen, vice chairman Adam Nederby Falbert Morten Nødgaard Albæk Rasmus Philip Buhl Lokvig Sophie Louise Knauer
Executive Board	Adam Nederby Falbert
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Other external expenses		-83,125	-45,382
Gross loss		-83,125	-45,382
Financial income	2	6,312,540	11,002,075
Financial expenses	3	-62,476,800	-51,770,168
Profit/loss before tax		-56,247,385	-40,813,475
Tax on profit/loss for the year	4	4,836,713	2,559,639
Net profit/loss for the year		-51,410,672	-38,253,836

Distribution of profit

	2023	2022
	DKK	DKK
Proposed distribution of profit		
Retained earnings	-51,410,672	-38,253,836
	-51,410,672	-38,253,836

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Investments in subsidiaries	5	1,006,132,938	947,632,939
Fixed asset investments		1,006,132,938	947,632,939
Fixed assets		1,006,132,938	947,632,939
Receivables from group enterprises		153,689,904	47,134,453
Deferred tax asset		8,103,150	6,182,411
Corporation tax receivable from group enterprises		2,915,854	2,096,178
Receivables		164,708,908	55,413,042
Cash at bank and in hand		77,584	219,328
Current assets		164,786,492	55,632,370
Assets		1,170,919,430	1,003,265,309

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		600,000	600,000
Retained earnings		502,260,510	495,171,182
Equity		502,860,510	495,771,182
Credit institutions		488,760,383	464,554,481
Long-term debt	6	488,760,383	464,554,481
Trade payables		126,875	81,875
Payables to group enterprises		179,095,807	42,819,890
Other payables		75,855	37,881
Short-term debt		179,298,537	42,939,646
Debt		668,058,920	507,494,127
Liabilities and equity		1,170,919,430	1,003,265,309
Key activities	1		
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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	600,000	495,171,182	495,771,182
Net profit/loss for the year	0	-51,410,672	-51,410,672
Transfer from share premium account	0	58,500,000	58,500,000
Equity at 31 December	600,000	502,260,510	502,860,510

Notes to the Financial Statements

1. Key activities

The company's purpose is to invest in investments in order to create a return as well as all companies that, in the opinion of the Board of Directors, are related to this.

2. Financial income

Interest received from group enterprises
Other financial income
Exchange gains

	2023	2022
	DKK	DKK
	6,309,338	3,425,947
	3,111	0
	91	7,576,128
	<u>6,312,540</u>	<u>11,002,075</u>

3. Financial expenses

Interest paid to group enterprises
Other financial expenses
Exchange loss

	2023	2022
	DKK	DKK
	8,352,749	2,324,064
	53,999,449	49,446,104
	124,602	0
	<u>62,476,800</u>	<u>51,770,168</u>

4. Income tax expense

Current tax for the year
Deferred tax for the year
Adjustment of tax concerning previous years

	2023	2022
	DKK	DKK
	-4,072,365	-2,096,178
	-1,920,739	-684,902
	1,156,391	221,441
	<u>-4,836,713</u>	<u>-2,559,639</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
5. Investments in subsidiaries		
Cost at 1 January	947,632,939	947,632,939
Additions for the year	<u>58,499,999</u>	<u>0</u>
Cost at 31 December	<u>1,006,132,938</u>	<u>947,632,939</u>
Carrying amount at 31 December	<u>1,006,132,938</u>	<u>947,632,939</u>

Investments in subsidiaries are specified as follows:

<u>Name</u>	<u>Place of registered office</u>	<u>Ownership</u>
Rekom Group A/S	Copenhagen	100%

	<u>2023</u>	<u>2022</u>
	DKK	DKK
6. Long-term debt		

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Credit institutions		
After 5 years	0	0
Between 1 and 5 years	<u>488,760,383</u>	<u>464,554,481</u>
Long-term part	488,760,383	464,554,481
Within 1 year	<u>0</u>	<u>0</u>
	<u>488,760,383</u>	<u>464,554,481</u>

Notes to the Financial Statements

	2023	2022
	DKK	DKK
7. Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with bankers:		
Surety	120,000,000	295,066,177

The Company has issued a letter of support to Guldhornene KBH. ApS, La Boucherie ApS, Charlottenlund Venues ApS, SKAAL ApS, THE DRUNKEN FLAMINGO ApS, ANDYS BAR ApS, Bar 7 ApS, Bæst Bar ApS, CAFÉ DE VINCI ApS, Little Green Door ApS, No Stress Bar DK ApS, Stereo Bar Kbh. ApS, Rhino Bar ApS, ANDYS/SPRUTTEN ApS, TOTDY Cph. ApS, Proud Mary Aalborg ApS, LA BAR/TYREN ApS, Rabalder Bar Kolding ApS, H-BAR ÅRHUS ApS, LA Tequila Bar Aarhus ApS, LouLou Århus ApS, Rabalder Bar Aarhus ApS, SKAAL Sønderborg ApS, Rekom DK Invest, Heidi's Bier Bar Vejle ApS, REKOM OG JYRGEN DAMPMØLLEN ApS, HEIDIS BIER BAR THISTED ApS, Rustik - Bar og Natklub ApS, Rabalder Bar Sønderborg ApS, PIONER BAR TØNDER ApS, ZGBB, Aalborg ApS, Zwei Grosse, Kolding ApS, ZWEI GROSSE BIER BAR VEJLE A/S, Proud Mary Odense ApS, KBH Invest III ApS, Das Flying Hirsch Danmark ApS, REKOM R&D ApS, Rekom Event ApS, Rekom Global Brands ApS, NightPay Int. ApS, Rekom Drift 11 ApS, Mundo Tequila ApS.

The letter of support for the remains in force until the point in time where the annual report for the companies for 2024 is approved by the general meeting and published.

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of CC Fly Invest ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The company's shares in Rekom Group A/S are pledged in connection with the company's accession to the credit agreements.

The company has secured a guarantee against the Group's borrowing at Ares Credit Group. At year end this amounts to DKK 836 million (DKK 808 million at 31 December 2022).

8. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
Rekom Group Holding ApS	Copenhagen

9. Subsequent events

The Group initiated a pre-pack administration of the Rekom UK Group in February 2024, being the subgroup of subsidiaries owned by CC STIM UK TopCo Ltd at the point of the pre-pack administration. A new structure under the company CC STORM UK TopCo Ltd was established. Ultimately, negotiations following the pre-pack administration resulted in the Group selling 100% of the shares in CC STORM UK TopCo Ltd. After the sale, the Group no longer has activities in the UK as of the approval date of this annual report.

Notes to the Financial Statements

10. Accounting policies

The Annual Report of CC Fly Holding II A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2023 of , the Company has not prepared consolidated financial statements.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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.

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. Where foreign exchange transactions 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. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Notes to the Financial Statements

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, writedown is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of receivables from group enterprises.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Notes to the Financial Statements

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.