



Franco ApS

Theklavej 27, 1. tv
2400 København NV
CVR no. 40 50 70 43

Annual report for 2023

(5th Financial year)

Adopted at the annual general
meeting on 3 May 2024

Alberto Luigi Sala
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Franco ApS for the financial year 1 January - 31 December 2023.

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

In my opinion, the 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.

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

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

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

Copenhagen, 3 May 2024

Executive board

Alberto Luigi Sala
Director

Auditor's report on compilation of the financial statements

To the shareholder of Franco ApS

We have compiled the financial statements of Franco ApS for the financial year 1 January - 31 December 2023 based on the company's bookkeeping records and other information made available by enterprise.

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

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

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

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Roskilde, 3 May 2024

Boreco
Statsautoriseret revisionspartnerselskab
CVR no. 36 07 49 81

Simon Daniel Elvemand
statsautoriseret revisor
mne45890

Company details

The company

Franco ApS
Theklavej 27, 1. tv
2400 København NV

CVR no.: 40 50 70 43

Reporting period: 1 January - 31 December 2023

Incorporated: 25 April 2019

Financial year: 5th financial year

Domicile: København NV

Executive board

Alberto Luigi Sala, director

Management's review

Business review

The company's purpose is wine, beverages and food imports.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

Unusual matters

The company's financial position at 31 December 2023 and the results of its operations for the financial year ended 31 December 2023 are not affected by any unusual matters.

Financial review

The company's income statement for the year ended 31 December 2023 shows a profit of DKK 35.353, and the balance sheet at 31 December 2023 shows equity of DKK 306.868.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of Franco ApS 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 provisions applying to reporting class C entities.

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

The annual report for 2023 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.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

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 work in progress 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.

Accounting policies

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.

Other external expenses

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

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, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities 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

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 goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Accounting policies

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.

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.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Gross profit		74.064	71.906
Financial income		35	0
Financial costs	2	<u>-28.120</u>	<u>-920</u>
Profit/loss before tax		45.979	70.986
Tax on profit/loss for the year	3	<u>-10.626</u>	<u>-15.617</u>
Profit/loss for the year		<u>35.353</u>	<u>55.369</u>
Retained earnings		<u>35.353</u>	<u>55.369</u>
		<u>35.353</u>	<u>55.369</u>

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Assets			
Finished goods and goods for resale		691.364	603.358
Stocks		691.364	603.358
Trade receivables		39.131	16.770
Other receivables		69	0
Receivables		39.200	16.770
Cash at bank and in hand		71.673	7.610
Total current assets		802.237	627.738
Total assets		802.237	627.738

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Equity and liabilities			
Share capital		40.000	40.000
Share premium account		0	110.000
Retained earnings		<u>266.868</u>	<u>121.515</u>
Equity		<u>306.868</u>	<u>271.515</u>
Payables to associates		140.736	0
Payables to shareholders and management		276.885	286.113
Corporation tax		9.290	15.617
VAT and duties payables		60.460	54.493
Other payables		<u>7.998</u>	<u>0</u>
Total current liabilities		<u>495.369</u>	<u>356.223</u>
Total liabilities		<u>495.369</u>	<u>356.223</u>
Total equity and liabilities		<u><u>802.237</u></u>	<u><u>627.738</u></u>

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2023	40.000	110.000	121.515	271.515
Net profit/loss for the year	0	0	35.353	35.353
Transfer from share premium account	0	-110.000	110.000	0
Equity at 31 December 2023	40.000	0	266.868	306.868

Notes

	<u>2023</u> DKK	<u>2022</u> DKK
1 Staff costs		
Number of fulltime employees on average	<u>1</u>	<u>1</u>
2 Financial costs		
Financial expenses, group entities	3.276	0
Other financial costs	<u>24.844</u>	<u>920</u>
	<u>28.120</u>	<u>920</u>
3 Tax on profit/loss for the year		
Current tax for the year	<u>10.626</u>	<u>15.617</u>
	<u>10.626</u>	<u>15.617</u>
4 Rent and lease liabilities		
Lease obligations, non-cancellation period 3 months	12.000	0
5 Contingent liabilities		
The company has no contingent liabilities.		