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# *Blazar Elite ApS*

Øster Allé 9, DK-2100 København Ø

## Annual Report for 2023

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CVR No. 40 77 35 68

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 24/6 2024

Michael Thomsen  
Chairman of the  
general meeting



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# Management's statement

The Executive Board has today considered and adopted the Annual Report of Blazar Elite 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 financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Copenhagen Ø, 24 June 2024

**Executive Board**

Michael Thomsen  
CEO

# Independent Practitioner's Extended Review Report

To the shareholder of Blazar Elite ApS

## Conclusion

We have performed an extended review of the Financial Statements of Blazar Elite ApS 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 are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, 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 for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Management's responsibility 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.

## Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

## 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.

# Independent Practitioner's Extended Review Report

In connection with our extended review 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 extended review, 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.

Based on the work we have performed, in our view, 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 in Management's Review.

Hellerup, 24 June 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Niels Henrik B. Mikkelsen  
State Authorised Public Accountant  
mne16675

Martin Birch  
State Authorised Public Accountant  
mne42825

## Company information

**The Company** Blazar Elite ApS  
Øster Allé 9  
2100 København Ø  
CVR No: 40 77 35 68  
Financial period: 1 January - 31 December  
Incorporated: 2 September 2019  
Financial year: 4th financial year  
Municipality of reg. office: Copenhagen

**Executive Board** Michael Thomsen

**Auditors** PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

# Management's review

## Key activities

The Company's key activities is start and operate various brands of consumer goods, as well as other active leaders find relevant.

## Development in the year

The income statement of the Company for 2023 shows a profit of DKK 5,891,320, and at 31 December 2023 the balance sheet of the Company shows a positive equity of DKK 48,935,451.

## Unusual events

In 2023 Blazar Elite Incs ownership in Chamberlain Coffee has been transferred to Blazar Elite ApS through dividend. Similary, the Company has written down the value of their equity interests in subsidiaries to the lower of the recoverable amount.

## Subsequent events

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

## Income statement 1 January - 31 December

|   | Note | 2023             | 2022           |
|---|------|------------------|----------------|
|   |      | DKK              | DKK            |
| <b>Gross profit/loss</b>                |      | <b>375,654</b>   | <b>-25,262</b> |
| Income from investments in subsidiaries | 1    | 5,238,094        | 0              |
| Financial income                        | 2    | 277,572          | 0              |
| Financial expenses                      | 3    | 0                | -2,266         |
| <b>Profit/loss before tax</b>           |      | <b>5,891,320</b> | <b>-27,528</b> |
| Tax on profit/loss for the year         |      | 0                | 0              |
| <b>Net profit/loss for the year</b>     |      | <b>5,891,320</b> | <b>-27,528</b> |
| <br><b>Distribution of profit</b>       |      |                  |                |
|   |      | 2023             | 2022           |
|   |      | DKK              | DKK            |
| <b>Proposed distribution of profit</b>  |      |                  |                |
| Retained earnings                       |      | 5,891,320        | -27,528        |
|   |      | <b>5,891,320</b> | <b>-27,528</b> |



## Balance sheet 31 December

### Assets

|                                    | Note | 2023              | 2022              |
|------------------------------------|------|-------------------|-------------------|
|                                    |      | DKK               | DKK               |
| Investments in subsidiaries        | 4    | 926,538           | 32,853,422        |
| Investments in associates          | 5    | 40,621,836        | 0                 |
| <b>Fixed asset investments</b>     |      | <b>41,548,374</b> | <b>32,853,422</b> |
| <b>Fixed assets</b>                |      | <b>41,548,374</b> | <b>32,853,422</b> |
| Receivables from group enterprises |      | 1,604,981         | 509,463           |
| Receivables from associates        |      | 5,983,630         | 0                 |
| Other receivables                  |      | 66,082            | 23,202            |
| <b>Receivables</b>                 |      | <b>7,654,693</b>  | <b>532,665</b>    |
| <b>Cash at bank and in hand</b>    |      | <b>9,004</b>      | <b>147,950</b>    |
| <b>Current assets</b>              |      | <b>7,663,697</b>  | <b>680,615</b>    |
| <b>Assets</b>                      |      | <b>49,212,071</b> | <b>33,534,037</b> |

## Balance sheet 31 December

### Liabilities and equity

|  | Note | 2023              | 2022              |
|--|------|-------------------|-------------------|
|  |      | DKK               | DKK               |
| Share capital  |      | 1,000,000         | 1,000,000         |
| Retained earnings  |      | 47,935,451        | 32,450,631        |
| <b>Equity</b>  |      | <b>48,935,451</b> | <b>33,450,631</b> |
| Trade payables   |      | 84,688            | 0                 |
| Payables to group enterprises                                  |      | 98,813            | 83,406            |
| Payables to associates   |      | 93,119            | 0                 |
| <b>Short-term debt</b>   |      | <b>276,620</b>    | <b>83,406</b>     |
| <b>Debt</b>  |      | <b>276,620</b>    | <b>83,406</b>     |
| <b>Liabilities and equity</b>                                  |      | <b>49,212,071</b> | <b>33,534,037</b> |
| Contingent assets, liabilities and other financial obligations | 6    |                   |                   |
| Related parties  | 7    |                   |                   |
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## Statement of changes in equity

|                              | Share capital    | Retained earnings | Total             |
|------------------------------|------------------|-------------------|-------------------|
|                              | DKK              | DKK               | DKK               |
| Equity at 1 January          | 1,000,000        | 32,450,631        | 33,450,631        |
| Contribution from group      | 0                | 9,593,500         | 9,593,500         |
| Net profit/loss for the year | 0                | 5,891,320         | 5,891,320         |
| <b>Equity at 31 December</b> | <b>1,000,000</b> | <b>47,935,451</b> | <b>48,935,451</b> |

## Notes to the Financial Statements

|   | 2023               | 2022              |
|---|--------------------|-------------------|
|   | DKK                | DKK               |
| <b>1. Income from investments in subsidiaries</b> |                    |                   |
| Share of losses                                   | -31,926,885        | 0                 |
| Dividend  | 37,164,979         | 0                 |
|   | <u>5,238,094</u>   | <u>0</u>          |
|   |                    |                   |
|   | 2023               | 2022              |
|   | DKK                | DKK               |
| <b>2. Financial income</b>                        |                    |                   |
| Interest received from group enterprises          | 6,966              | 0                 |
| Interest received from associates                 | 270,600            | 0                 |
| Other financial income                            | 6                  | 0                 |
|   | <u>277,572</u>     | <u>0</u>          |
|   |                    |                   |
|   | 2023               | 2022              |
|   | DKK                | DKK               |
| <b>3. Financial expenses</b>                      |                    |                   |
| Other financial expenses                          | 0                  | 2,266             |
|   | <u>0</u>           | <u>2,266</u>      |
|   |                    |                   |
|   | 2023               | 2022              |
|   | DKK                | DKK               |
| <b>4. Investments in subsidiaries</b>             |                    |                   |
| Cost at 1 January                                 | 32,853,422         | 1,663,601         |
| Additions for the year                            | 0                  | 31,189,821        |
| Cost at 31 December                               | <u>32,853,422</u>  | <u>32,853,422</u> |
|   |                    |                   |
| Revaluations for the year, net                    | -31,926,884        | 0                 |
| Value adjustments at 31 December                  | <u>-31,926,884</u> | <u>0</u>          |
|   |                    |                   |
| Carrying amount at 31 December                    | <u>926,538</u>     | <u>32,853,422</u> |

## Notes to the Financial Statements

|                                       | 2023              | 2022     |
|---------------------------------------|-------------------|----------|
|                                       | DKK               | DKK      |
| <b>5. Investments in associates</b>   |                   |          |
| Cost at 1 January                     | 0                 | 0        |
| Additions for the year                | 40,621,836        | 0        |
| Cost at 31 December                   | 40,621,836        | 0        |
| <b>Carrying amount at 31 December</b> | <b>40,621,836</b> | <b>0</b> |

Investments in associates are specified as follows:

| Name                    | Place of registered office | Share capital | Ownership |
|-------------------------|----------------------------|---------------|-----------|
| Blazar Elite Inc.       | Los Angeles, CA            | 926,537       | 100%      |
| Chamberlain Coffee Inc. | Los Angeles, CA            | 37,164,978    | 31,85%    |
| Koatji Inc.             | Santa Barbara, CA          | 3,456,857     | 33,2%     |

## 6. Contingent assets, liabilities and other financial obligations

### Other contingent liabilities

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 Blazar 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.

## 7. 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         |
|------------|------------------------------------|
| Blazar ApS | Øster Allé 48, 5, 2100 København Ø |

# Notes to the Financial Statements

## 8. Accounting policies

The Annual Report of Blazar Elite 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 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 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

### 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.

### Income statement

#### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

#### Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

#### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

#### Income from investments in subsidiaries and associates

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

# 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 Blazar ApS. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

## Balance sheet

### Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### 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, including the tax base of tax loss carry-forwards, 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.