Deloitte.

Meyers A/S

Dampfærgevej 10, 1.
2100 København Ø
CVR No. 41810556

Annual report 2023

The Annual General Meeting adopted the annual report on 12.07.2024

Per Sørensen
Chairman of the General Meeting

Contents

Entity details

Entity

Meyers A/S
Dampfærgevej 10, 1.
2100 København Ø

Business Registration No.: 41810556
Date of foundation: 01.11.2020
Registered office: København
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Jesper Uggerhøj, Chairman
Marc Bradley
Jesper Lykke Vacherhausen
Alastair Dunbar Storey

Executive Board

Jesper Lykke Vacherhausen, CEO
Per Sørensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Meyers A/S for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 12.07.2024

Executive Board

Jesper Lykke Vacherhausen
CEO

Per Sørensen

Board of Directors

Jesper Uggerhøj
Chairman

Marc Bradley

Jesper Lykke Vacherhausen

Alastair Dunbar Storey

Independent auditor's report

To the shareholders of Meyers A/S

Opinion

We have audited the financial statements of Meyers A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the 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.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the management commentary

Management is responsible for the management commentary.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 12.07.2024

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Hans Tauby
State Authorised Public Accountant
Identification No (MNE) mne44339

Management commentary

Financial highlights

	2023 DKK'000	2022 DKK'000	2021 DKK'000
Key figures			
Revenue	301,722	275,093	219,664
Gross profit/loss	111,864	96,512	85,961
Operating profit/loss	(19,469)	(20,246)	(36,323)
Net financials	(534)	(558)	(1,024)
Profit/loss for the year	(9,985)	(4,162)	(12,468)
Total assets	160,016	372,614	343,586
Investments in property, plant and equipment	2,549	30,388	4,168
Equity	34,061	220,105	223,595
Ratios			
Gross margin (%)	37.08	35.08	39.13
EBIT margin (%)	(6.45)	(7.36)	(16.54)
Net margin (%)	(3.31)	(1.51)	(5.68)
Return on equity (%)	(7.86)	(1.88)	(11.15)
Equity ratio (%)	21.29	59.07	65.08

The Company paid an extraordinary dividend to its previous owners (the Løgismose group) prior to the acquisition of the Company by WSH Denmark ApS. This significantly impacts the Total assets and Equity ratio above.

Leases
As of 1 January 2023 the Entity has transitioned from applying IFRS 16 to Danish Financial Statements Act (Danish GAAP). This has resulted in a reversal of the recognition of leasing assets according to IFRS 16 in 2022-2023. The comparative figures for 2021 have not been reversed meaning that the financial highlights above for 2021 contains the impact of activated leasing assets, associated leasing liabilities and P/L impact.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):
Gross profit/loss * 100
Revenue

EBIT margin (%):
Operating profit/loss * 100
Revenue

Net margin (%):
Profit/loss for the year * 100
Revenue

Return on equity (%):
Profit/loss for the year * 100
Average equity

Equity ratio (%):
Equity * 100
Total assets

Primary activities

The Company's objective is to have activities within, or, to hold interests in companies with activities within canteens, catering lunch & event, restaurants, retail, bakeries, food courses, teambuilding and food consultancy.

Development in activities and finances

2023 was a year of change for the business; the acquisition completed on 14 March 2023, resulting in a carve out of the Meyers group from the Løgismose group and thus significant associated costs and restructuring. Alongside this, the marketplace in which the underlying trading businesses operate has been challenging, characterised by rising inflation and increases in electricity and commodity prices, in turn putting pressure on our margins. Despite these challenges, the business has achieved strong revenue growth year on year.

Revenue for the period was DKK 301.7 million (2022: DKK 275.1 million), with Operating Loss (EBITDA) of DKK 19.5 million (2022: DKK 20.8 million) and an overall loss for the year of DKK 10.0 million (2022: DKK 4.2 million). The revenue result is pleasing and in line with expectations, the losses are a result of the margin pressures described above and the transition from Løgismose following acquisition by WSH.

The balance sheet shows equity of DKK 34.1 million as of 31 December 2023 (2022: DKK 220.1 million). The company paid an extraordinary dividend to its previous owners (the Løgismose group) prior to the acquisition of the company by WSH Denmark ApS, which materially reduced the equity position.

In assessing the group's ability to continue as a going concern, the directors have considered the performance of the business through 2023 and ongoing performance in 2024. The directors believe these results demonstrate the strength of the group and this coupled with its continued growth and the positive outlook for the business, together with the strength of the parent WSH, supports the directors' confidence that the group, with the support of the WSH group, can meet all its obligations as they fall due through to at least the end of 2025.

Profit/loss for the year in relation to expected developments

In the annual report 2022, the management expectations have been reached for revenue, but pressure on margins and transition from Løgismose following acquisition by WSH have not given us the expected profit (EBITDA).

Outlook

The company expects a revenue in 2024 of DKK 250-300 million and an operating profit (EBITDA) of DKK 9-11 million.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Revenue		301,722,107	275,093,471
Other operating income	2	2,567,214	287,000
Cost of sales		(154,316,455)	(132,898,111)
Other external expenses		(38,109,218)	(45,969,864)
Gross profit/loss		**111,863,648**	**96,512,496**
Staff costs	3	(118,955,164)	(106,546,994)
Depreciation, amortisation and impairment losses	4	(12,377,561)	(10,809,987)
Operating profit/loss		**(19,469,077)**	**(20,844,485)**
Income from investments in group enterprises		4,675,470	12,467,601
Other financial income		57,461	29,086
Other financial expenses		(591,471)	(587,177)
Profit/loss before tax		**(15,327,617)**	**(8,934,975)**
Tax on profit/loss for the year	5	5,342,305	4,688,269
Profit/loss for the year	6	**(9,985,312)**	**(4,246,706)**

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Completed development projects	8	556,265	46,366
Acquired intangible assets		2,198,565	2,405,072
Acquired rights		1,412,000	1,712,000
Intangible assets	7	**4,166,830**	**4,163,438**
Plant and machinery		3,688,378	5,298,999
Other fixtures and fittings, tools and equipment		1,564,753	1,874,165
Leasehold improvements		8,553,504	16,552,734
Property, plant and equipment in progress		4,157,369	2,874,928
Property, plant and equipment	9	**17,964,004**	**26,600,826**
Investments in group enterprises		42,030,640	229,413,946
Other investments		100,000	100,000
Deposits		2,654,111	1,627,518
Financial assets	10	**44,784,751**	**231,141,464**
Fixed assets		**66,915,585**	**261,905,728**
Raw materials and consumables		5,761,141	4,876,312
Manufactured goods and goods for resale		4,547,373	4,094,160
Inventories		**10,308,514**	**8,970,472**
Trade receivables		56,004,462	47,473,782
Receivables from group enterprises		566	13,879,147
Receivables from associates		391,499	391,499
Deferred tax	11	5,052,189	1,243,078
Other receivables		8,899,347	1,647,563
Tax receivable		4,410,300	0
Joint taxation contribution receivable		1,533,194	5,352,933
Prepayments	12	2,609,973	3,951,791
Receivables		**78,901,530**	**73,939,793**
Cash		**3,890,029**	**290,254**

Current assets	**93,100,073**	**83,200,519**
Assets	**160,015,658**	**345,106,247**

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital	13	400,000	400,000
Reserve for net revaluation according to the equity method		0	138,164,418
Reserve for development expenditure		433,887	36,165
Retained earnings		33,227,235	81,504,614
Equity		**34,061,122**	**220,105,197**
Other provisions	14	474,000	0
Provisions		**474,000**	**0**
Deposits		102,729	102,729
Other payables	15	3,761,353	3,761,353
Non-current liabilities other than provisions	16	**3,864,082**	**3,864,082**
Prepayments received from customers		1,608,313	1,708,607
Trade payables		33,065,723	31,342,658
Payables to group enterprises	17	71,016,610	72,655,930
Other payables		15,925,808	14,364,346
Deferred income	18	0	1,065,427
Current liabilities other than provisions		**121,616,454**	**121,136,968**
Liabilities other than provisions		**125,480,536**	**125,001,050**
Equity and liabilities		**160,015,658**	**345,106,247**
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	19		
Contingent liabilities	20		
Assets charged and collateral	21		
Related parties with controlling interest	22		
Non-arm's length related party transactions	23		
Group relations	24		

Statement of changes in equity for 2023

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	400,000	138,164,418	36,165	80,831,918	219,432,501
Changes in accounting policies	0	0	0	901,264	901,264
Adjusted equity, beginning of year	**400,000**	**138,164,418**	**36,165**	**81,733,182**	**220,333,765**
Extraordinary distributions	0	0	0	(176,287,331)	(176,287,331)
Transfer to reserves	0	(138,164,418)	397,722	137,766,696	0
Profit/loss for the year	0	0	0	(9,985,312)	(9,985,312)
Equity end of year	**400,000**	**0**	**433,887**	**33,227,235**	**34,061,122**

Notes

1 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Other operating income

	2023 DKK	2022 DKK
Wage compensation	0	287,000
Payroll compensation	2,567,214	0
	2,567,214	**287,000**

3 Staff costs

	2023 DKK	2022 DKK
Wages and salaries	103,770,046	94,089,619
Pension costs	8,335,162	6,793,250
Other social security costs	1,907,385	1,569,005
Other staff costs	4,942,571	4,095,120
	118,955,164	**106,546,994**

Average number of full-time employees	**216**	**203**

The management is remunerated in other Group companies, thus no management remuneration is incurred in Meyers A/S.

4 Depreciation, amortisation and impairment losses

	2023 DKK	2022 DKK
Amortisation of intangible assets	1,040,235	843,390
Impairment losses on intangible assets	300,000	0
Depreciation of property, plant and equipment	7,646,561	9,966,597
Impairment losses on property, plant and equipment	3,464,765	0
Profit/loss from sale of intangible assets and property, plant and equipment	(74,000)	0
	12,377,561	**10,809,987**

5 Tax on profit/loss for the year

	2023 DKK	2022 DKK
Change in deferred tax	(3,809,111)	664,664
Refund in joint taxation arrangement	(1,533,194)	(5,352,933)
	(5,342,305)	**(4,688,269)**

6 Proposed distribution of profit and loss

	2023 DKK	2022 DKK
Retained earnings	(9,985,312)	(4,246,706)
	(9,985,312)	**(4,246,706)**

7 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK	Acquired rights DKK
Cost beginning of year	352,510	5,648,649	1,997,000
Additions	608,300	735,327	0
Cost end of year	**960,810**	**6,383,976**	**1,997,000**
Amortisation and impairment losses beginning of year	(306,144)	(3,243,577)	(285,000)
Impairment losses for the year	0	0	(300,000)
Amortisation for the year	(98,401)	(941,834)	0
Amortisation and impairment losses end of year	**(404,545)**	**(4,185,411)**	**(585,000)**
Carrying amount end of year	**556,265**	**2,198,565**	**1,412,000**

8 Development projects

Development projects relate to software and it projects. The projects contribute to improving processes in the company and are therefore capitalised. As part of the demerger development projects have been acquired.

9 Property, plant and equipment

	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Property, plant and equipment in progress DKK
Cost beginning of year	25,179,678	9,781,552	57,394,731	2,874,928
Transfers	63,058	150,295	58,360	(271,712)
Additions	455,833	208,015	256,502	1,628,505
Disposals	0	0	0	(74,352)
Cost end of year	**25,698,569**	**10,139,862**	**57,709,593**	**4,157,369**
Depreciation and impairment losses beginning of year	(19,880,679)	(7,907,387)	(40,841,997)	0
Impairment losses for the year	(292,466)	(14,543)	(3,157,756)	0
Depreciation for the year	(1,837,046)	(653,179)	(5,156,336)	0
Depreciation and impairment losses end of year	**(22,010,191)**	**(8,575,109)**	**(49,156,089)**	**0**
Carrying amount end of year	**3,688,378**	**1,564,753**	**8,553,504**	**4,157,369**

10 Financial assets

	Investments in group enterprises DKK	Other investments DKK	Deposits DKK
Cost beginning of year	91,249,528	100,000	1,627,518
Additions	0	0	1,046,593
Disposals	0	0	(20,000)
Cost end of year	**91,249,528**	**100,000**	**2,654,111**
Revaluations beginning of year	138,164,418	0	0
Transfers	(138,164,418)	0	0
Revaluations end of year	**0**	**0**	**0**
Changes in accounting policies	228,555	0	0
Transfers	138,164,418	0	0
Amortisation of goodwill	(1,226,000)	0	0
Share of profit/loss for the year	5,901,470	0	0
Dividend	(192,287,331)	0	0
Impairment losses end of year	**(49,218,888)**	**0**	**0**
Carrying amount end of year	**42,030,640**	**100,000**	**2,654,111**

Goodwill recognised in investments in group enterprises amounts to DKK 13,486,000.

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Meyers Contract Catering A/S	Copenhagen	A/S	100.00
Massive Catering A/S	Copenhagen	A/S	100.00

11 Deferred tax

Changes during the year	2023 DKK	2022 DKK
Beginning of year	1,243,078	1,907,742
Recognised in the income statement	3,809,111	(664,664)
End of year	**5,052,189**	**1,243,078**

Deferred tax assets

Deferred tax relates to intangible assets, property, plant & equipment and receivables.

12 Prepayments

Prepayments comprise prepaid expenses concerning rent, Madhus projects and other prepayments

13 Share capital

	Number	Par value DKK	Nominal value DKK
Share capital	400,000	1	400,000
	400,000		**400,000**

14 Other provisions

The provisions represent management's judgement for potential future liabilities against contracts and are expected to be utilised over the period to December 2024.

15 Other payables

	2023 DKK	2022 DKK
Holiday pay obligation	3,761,353	3,761,353
	3,761,353	**3,761,353**

16 Non-current liabilities other than provisions

	Due after more than 12 months 2023 DKK	Outstanding after 5 years 2023 DKK
Deposits	102,729	102,729
Other payables	3,761,353	3,761,353
	3,864,082	**3,864,082**

17 Payables to group enterprises

The Company participated in a cash pool scheme in 2022 with other companies within the previous owners, Løgismose Meyers Group. Consequently, DKK 61,790 thousand of the Company's bank loans of 2022 is included in payables to group enterprises. Meyers A/S was jointly and severally liable with other participating Group entities for the total debt of DKK 39,954 thousand within the cash pool scheme in 2022.

18 Deferred income

Deferred income comprises incurred income for subsequent financial years.

19 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	**13,064,738**	**12,133,833**

20 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where WSH Denmark ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

As a result of the demerger of Løgismose Meyers A/S, the contributing company Løgismose A/S and the new company Meyers A/S are jointly and severally liable for debt and liabilities arising after 1 January 2020, but relating to the period before 1 January 2020, which cannot be uniquely assigned to either Løgismose A/S or Meyers A/S.

21 Assets charged and collateral

The company has provided a guarantee of 943,420 DKK.

22 Related parties with controlling interest

Related parties with controlling interest in Meyers A/S:
Meyers Group ApS, Dampfærgevej 10, 1. 2100 København Ø, Denmark (Immediate parent company).

LM Group ApS, Dampfærgevej 10, 1. 2100 København Ø, Denmark (Immediate parent company).

WSH Denmark ApS, c/o Gorrissen Federspiel, Axeltorv 2, 1609 København V, Denmark (immediate parent company).

WSH Europe Limited, 300 Thames Valley Park Drive, Reading, United Kingdom, RG6 1PT (immediate parent company).

CD&R and WSH JVco (UK) Limited, 300 Thames Valley Park Drive, Reading, United Kingdom, RG6 1PT (ultimate parent company).

23 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. During the financial year, related party transactions have been conducted on an arm's length basis besides the following transactions:

The Group does not recognise interest on intercompany balances.
Management fee incurred in the Company is not complete, as not all incurred cost in other Group entities is allocated appropriately.
The Company purchases goods from other entities within the Group for which the consideration is not on arm's length basis.
The management is remunerated in other Group companies, thus no management remuneration is incurred in the Company.

24 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
CD&R and WSH JVco (UK) Limited, 300 Thames Valley Park Drive, Reading, United Kingdom, RG6 1PT.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
WSH Denmark ApS, Axeltorv 2, 1609 København V, Denmark.

Accounting policies

Reporting class
This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

Changes in accounting policies
The Entity has changed its accounting policy with regard to implementing Danish Financial Statements Act (Danish GAAP) instead of IFRS 15 and IFRS 16.

Leases
As of 1 January 2023 the Entity has transitioned from applying IFRS 16 to Danish Financial Statements Act (Danish GAAP). The Entity has entered into a new group relationship. In this context, the accounting practices has been aligned with the new group.

The change has impacted the balance sheet and profit & loss statement as follows:
- Assets has decreased by DKK 20.390 thousand (2022: DKK 27.507 thousand)
- Liabilities has decreased by DKK 21.113 thousand (2022: DKK 28.180 thousand)
- Equity has increased by DKK 674 thousand (2022: DKK 726 thousand)
- The P/L impact for the year is DKK 49 thousand (2022: DKK -53 thousand)

The comparative figures have been restated following the change in accounting policies.

Revenue
As of 1 January 2023 the Entity has transitioned from applying IFRS 15 to Danish Financial Statements Act (Danish GAAP). When the Entity implemented IFRS 15 as of 1 January 2020, the entity assesed that the effect of IFRS 15 was limited as sales is generally based on straight-forward customer agreements with buyer gaining control at a certain point in time. As a result, the change in 2023 from IFRS 15 to Danish GAAP has no effect.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistent with last year, except for reclassifications which have not had an effect on profit and equity but are reclassifications.

Consolidated financial statements
Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement
Financial assets
Trade and other debtors are classified as basic financial instruments and are initially recognised at transaction price. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment by assessing the credit risk associated with them.

If an asset is impaired the impairment loss is recognised in the income statement.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party.

Financial liabilities
Trade and other creditors including loans and amounts due to fellow group companies, are classified as basic financial instruments and are initially recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Deposits held for future events are classified within other creditors. Creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Foreign currency translation

Foreign currency transactions are translated into the company's functional currency using the spot exchange rates for the month of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Income statement

Revenue
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, value added tax and other sales taxes.

The company has determined that where the performance obligations are satisfied over time as the client simultaneously receives and consumes the benefits provided by the company as the food service and/or support service are rendered at the client site. In these circumstances, revenue is recognised at the amount which the company has the right to invoice, where that amount corresponds directly with the value to the customer of the company's performance completed to date. Where the company is selling directly to consumers, for example in a retail café, the performance obligation is satisfied at the point in time when the products are sold to the customer.

Services
Revenue is recognised when the following criteria have been satisfied:
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will be received;
- The stage of completion of the transaction at the end of the reporting period can be measured reliably;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Goods/Products
Revenue is recognised when the following criteria have been satisfied:
- The significant risks and rewards of ownership have been transferred to the customer;

- There is no continuing managerial involvement to the extent usually associated with ownership, nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will be received;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Other operating income
Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including salary refunds.

Cost of sales
Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory write downs.

Other external expenses
Other external expenses include expenses relating to the Entity's normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write downs of receivables recognised in current assets.

Staff costs
Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses
Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Income from investments in group enterprises
Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income
Other financial income comprises interest income, including net capital or exchange gains on securities, payables and transactions in foreign currencies and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including net capital or exchange losses on securities, payables and transactions in foreign currencies and tax surcharge under the Danish Tax Prepayment Scheme etc. Tax.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc

Intellectual property rights etc. comprise development projects completed, acquired intangible assets and acquired rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

	Useful life
Plant and machinery	3-5 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5-10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Goodwill is the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Other investments
Other investments comprise unlisted equity investments measured at the lower of cost and net realisable value.

Inventories
Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-basedvalue of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Joint taxation contributions receivable or payable
Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses areexpected to be used under the joint taxation arrangement.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at amortised cost.

Cash
Cash comprises cash in hand and bank deposits. Cash and cash equivalents comprise of both cash at bank and in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Other provisions
Provisions for liabilities
Provisions are recognised when the company has a present obligation as a result of a past event and it is probable that the company will be required to settle the obligation. Provisions are measured at the directors' best estimate of the cost of settling these liabilities and are discounted to present value where the effect is material.

Provisions are established for costs that will be incurred based on legislative and contractual requirements. These liabilities require the judgement of management as to the estimated costs, the timing of the cash flows and the discount rates to use to establish the net present value of the obligations. Sensitivities have been considered and it has been concluded that there are no generic assumptions used in the model that could result in a material change in the provision.

Operating leases
Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease. Rentals paid under operating leases are charged to the income statement on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers
Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Deferred income
Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Meyers Group ApS (smallest and largest group), the Company has not prepared a cash flow statement.