CC Toaster Holding I ApS

Teglværksgade 37, 1.tv, DK-2100 København Ø

Annual Report for 2023

CVR No. 41 95 45 90

The Annual Report was presented and adopted at the Annual General Meeting of the company on 15/2 2024

Mathias Lysholm Faaborg
Chairman of the general meeting

Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of CC Toaster Holding I ApS 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 and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023.

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

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

København, 15 February 2024

Executive Board

Mathias Lysholm Faaborg CEO	Jesper Bramming Chief Financial Officer

Board of Directors

Jens Christian Buhl Chairman	Frederik Oliver Busch Vice chairman	Peter Johan Sønderby-Wagner
Vilhelm Eigil Hahn-Petersen	Katrine Bjarkov Benthien	

Independent Auditor's report

To the shareholder of CC Toaster Holding I ApS

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of CC Toaster Holding I 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, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("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 Group 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.

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.

In connection with our audit 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 audit, 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 Consolidated Financial Statements and the Parent Company 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.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group´s and the Parent 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 Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

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 Group´s and the Parent Company´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 Group´s and the Parent 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 Group and the Parent 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent Auditor's report

Hellerup, 15 February 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jacob F Christiansen	Kristian Højgaard Carlsen
State Authorised Public Accountant	State Authorised Public Accountant
mne18628	mne44112

Company information

The Company	CC Toaster Holding I ApS Teglværksgade 37, 1.tv DK-2100 København Ø CVR No: 41 95 45 90 Financial period: 1 January - 31 December Municipality of reg. office: København
Board of Directors	Jens Christian Buhl, chairman Frederik Oliver Busch, vice chairman Peter Johan Sønderby-Wagner Vilhelm Eigil Hahn-Petersen Katrine Bjarkov Benthien
Executive Board	Mathias Lysholm Faaborg Jesper Bramming
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a 3-year period, the development of the Group is described by the following financial highlights:

	Group		
	2023	2022	2021
	TDKK	TDKK	TDKK
Key figures			
Profit/loss			
Revenue	317,872	308,915	314,975
Profit/loss of ordinary primary operations	4,490	-8,928	-1,414
Profit/loss of financial income and expenses	-6,201	-4,042	-3,860
Net profit/loss for the year	-2,983	-11,558	-7,353
Balance sheet			
Balance sheet total	207,650	225,741	239,179
Equity	95,091	99,081	107,879
Cash flows			
Cash flows from:			
- operating activities	6,940	-3,532	-2,013
- investing activities	-3,797	-8,372	-168,448
- financing activities	-7,256	-2,240	196,073
Change in cash and cash equivalents for the year	-4,113	-14,144	25,613
Number of employees	48	53	27
Ratios			
Gross margin	13.4%	9.0%	7.8%
Profit margin	1.4%	-2.9%	-0.4%
Return on assets	2.2%	-4.0%	-0.6%
Solvency ratio	45.8%	43.9%	45.1%
Return on equity	-3.1%	-11.2%	-13.6%

In connection with changes to accounting policies, the comparative figures for 2021 have not been restated. See the description under accounting policies.

Management’s Review

The Annual Report of CC Toaster Holding I ApS ("Luxplus" or the "Company") for the year of 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class C. The provisions governing reporting class C are applied pursuant to the amended Danish Financial Statements Act.

The private equity fund CataCap K/S II indirectly owns a majority of the shares in the Company following the acquisition completed in the fiscal year 2022. CataCap is a member of Active Owners. As the company is categorized as medium-sized enterprise of reporting class C it is exempt from Active Owners’ guidelines for annual reports released in 2019 but have chosen to comply with the guidelines.

Primary activities

The subsidiary Luxplus Aps is the operating company of the business.

Luxplus is a subscription based online store selling FMCG products within beauty, personal care and adjacent segments across Denmark, Sweden, Norway, Finland, Netherlands, Belgium, and the UK. A monthly membership fee the gives the members access to material savings on more than 700 relevant brands with free shipment and fast delivery. Our headquarter is in Copenhagen and our external warehouse is in Northern Jutland. We employ around 50 employees in Copenhagen.

Development in the year and expectations for next year

In accordance with the Luxplus Group strategy, Luxplus has continued to add new brands enhancing the membership experience and creating more tangible savings for our members. This has led to a positive trend of growing sales and membership numbers in 2023 ending the year with the highest number paying members in the history of Luxplus.

We upgraded and expanded the proprietary technological foundation that Luxplus is built on. In 2023 we have continued the journey of building the foundation for scalability and capacity to enable future performance. This will continue in 2024 and deliver visible improvements in the member experience and efficiency of operations. In 2023 we overhauled the fulfilment processes of warehouse, delivery, and payment provider structures. This has realized visible savings end improvements enabling us to improve the membership benefits.

Please see below table 1 showing proforma consolidated group key figures.

Table 1: Group Key Figures (Proforma consolidation)

Luxplus Group (Full year, DKKm)	**2023**	**2022**	**2021**	**2020**	**2019**
Revenue	317,8	309,7	315,0	284,0	212,0
Contribution Margin	54,9	41,9	42,8	40,7	33,6
EBITDA before special items	18,6	7,9	21,9	26,2	19,6
EBITDA after special items	16,6	3,8	11,3	26,2	19,3

The income statement of the Group for 2023 shows a loss of DKKm 3 and on 31 December 2023 the balance sheet of the Group shows equity of DKKm 95. The Group result for 2023 is considered satisfactory. For 2024, the Group expects growth in membership base and revenue and EBITDA above 2023.

Management's review

Risks

The Board of Directors of the Company and the Management of the Group continuously monitor both internal and external business risks. Below are the risks that have been assessed as being particularly important:

Market risks

The Group operates within the online business to consumer business selling predominantly products for personal care through a member-based operating model. We are seeing competitors in some markets deploying different types of member-based models that to some degree compete for the Luxplus consumer. Furthermore, Luxplus is dependent on online marketing to retain and attract members. The online marketing environment is changing these years due to big tech companies challenging each other in this very lucrative environment but also because it is subject to more public regulation than previously.

This makes it more challenging to optimize marketing spend and effectiveness as well as increases the pricing for online marketing activities. Market risks are mitigated through continuous investments in the Luxplus business platform improving the shopping experience and general value proposition to members as well as an increasing online penetration of the personal care category expanding the overall market potential. Finally, Luxplus is present in six markets which offers geographic diversification as well as significant runway for growing the membership base.

Currency risks

Luxplus has sales operations across Europe and procurement across predominantly Europe. Main foreign currencies are SEK, NOK, EUR, and GBP. Some exposure is netted via purchase and sales in same currency but for SEK, NOK, and GBP there is a net inflow due to sales and members' fees being higher than purchases in those currencies. This exposes the Group to the risk of currency fluctuations. The risk is mostly related to product margin and is mitigated through ongoing price and margin monitoring both in the buying process and the consumer pricing process. Subscription revenue currency risk is to some extend mitigated through marketing costs being spend per market in local currency. Inventory turn is also high and thereby reducing the currency risk. Net inflow in SEK, NOK and GBP are sold on an ongoing basis to reduce exposure. The Group does not speculate in currency fluctuations. In 2023 the combined devaluation of SEK and NOK has impacted margins negatively.

IT risks

The safety aspects of Luxplus' IT solutions, including the infrastructural part, is monitored, and evaluated in collaboration with internal employees and external consultants. Uniform systems, standards and controls is the target, so that the risk of data leaks, errors and omissions are continually lowered. In 2023 we have continued the process of bringing code quality and documentation up to the right level underpinning IT risk mitigation.

Management structure

Our principles for good corporate governance are based on our rules of procedures and our management structure, consisting of Board of Directors and our Management team. The board of directors meets according to a set schedule at least 5 times a year. In addition, monthly chairmanship meetings are held. An annual strategy meeting is also held to determine Luxplus' vision, goals, and strategy.

Governance

To provide transparency Luxplus now follows the industry association "Aktive Ejere" (formerly "Danish Venture Capital and Private Equity Association") guidelines for responsible ownership and good corporate governance. On this foundation, the Board of Directors, and the Executive Management team have established internal procedures to ensure active, secure, and value-creating management. Likewise, the Board of Directors and the Executive Board continuously monitor the Company's management structure and control systems to ensure that they are reliable and effective. At board level, the fixed procedures include monthly reporting on relevant economic and non-financial parameters, including risk assessment of investments and markets.

Environmental

We see very limited risks of Luxplus causing a significant environmental incident. Likewise, it is unlikely that a significant environmental development within our business causes major disturbances to the business or to the environment.

Statement of Social Responsibility

Human Rights

We have no policy on this area due to our size. We acknowledge that there are risks in this area such as use of child-labour and/or forced labour. However, we consider these risks to be immaterial. Luxplus primarily trade with Global or European scale companies of a size where our interests in this area is managed well by our suppliers. We thus base ourselves on the work that producers and suppliers of brands and products within the beauty industry is already doing.

Social and Personnel

Our staff policies are embedded in the “Staff Handbook” emphasizing our efforts to secure the wellbeing of our staff. The Staff Handbook’ lays out the internal guidelines for among other things ethics and moral behaviour among staffers. This has been handed out to our employees and is a part of the onboarding process of new staffers. The employee survey undertaken end 2023 shows high satisfaction and loyalty among our employees driven by a high degree of trust in direct management and executive management and high engagement in the work tasks.

We assess the risks to be immaterial and concurrent with any office of our size. Risks include workplace intimidation, unfair practices and not living up to legal and normal requirements for the terms offered to staff.

We will continue to use frequent employee surveys and personal development status meetings to ensure progress in this area.

Anticorruption & Bribery

We have no policy in this area. Historically this is due to the structure and size of the company. We have had a significant overlap between owners, managers, and employees within the departments where anticorruption & bribery should have focus, enabling decision-making and controls. We acknowledge that there are risks, e.g., within gift-giving and supplier relationships. It is an area where we want to develop a policy and clear recommendations, which we expect to have in place in 2024.

Social and societal responsibility

Luxplus business model is based a membership model, providing free or low-cost shipping and significant savings on products and brands that the members appreciate and want. Read more on https://www.luxplus.dk/om_luxplus. On top of that we provide relevant articles in our Luxmagazine a lifestyle and beauty journal focused on topics relevant to our members. You can access https://www.luxplus.dk/luxmagazine here.

As an online business Luxplus affects our society, the people, climate, and environment just as we are affected by these circumstances and what happens in world. We are in tune with our members and get frequent feedback on our business. We provide the brands and products desired by our members and in that strive to pay specific attention to the fast-paced development in the consumer world. A strong trend on ‘clean’ beauty products with few or no perfumes and additives has affected our assortment. Likewise, the Russian invasion of Ukraine meant we delisted Russian-made brands and products.

Luxplus is committed to leaving the world a little better than we found it. As a part of our societal responsibility and commitment Luxplus subscribes to the UN Global Compact.

Environmental Effects

Almost all the environmental effects of Luxplus are Category III resting with our suppliers both of product and logistic services.

The climate and environmental impact of our last mile deliveries can be serious even though it is far smaller than the production of the brands and products we sell. We have in 2023 worked in partnership with our warehouse and last-mile-delivery companies to offer deliveries with electric propulsion to lessen the environmental impact. Our cardboard for boxes is FSC and consciously sourced reused cardboard.

We have no specific measurable effects of our efforts in this area; however, we notice almost all suppliers are actively addressing the issue in a comprehensive way. We will engage actively with suppliers to enhance these efforts as we have in 2023. This is done through frequent meetings with suppliers including monthly meetings with the executive management of our warehouse and our logistics supplier, where we have the most direct influence on environmental effects.

Working environmental for all staffers, data ethics and security. We have a code of conduct and employee handbook combined with an external whistleblower-setup. In a desire to improve office environment we have in 2023 installed CO2-measurement devices in all offices and meeting rooms.

Data ethics and data protection

Given Luxplus position as an ecommerce member club data ethics is of importance to both us and our members. We are supported by a team of external advisors specialized in “PersonDataSupport” in our continuous journey towards high standard for data management, data security, ethics, and the general data protection regulation. PDS support us with recurring consulting, monitoring, and progress within this area.

Our personal data policy is available in all languages on the respective websites, and we continuously monitor our processes with the support of a top-tier law firm specializing in personal data, immaterial rights, and technology.

In adding new partners, suppliers, and contractors Luxplus is committed to consider aspects of data security and data ethics in the way we create, handle, store, manage and delete data relating to our members and customers. We consider data ethical elements when adapting or implementing new technical solutions.

Furthermore, our personnel handbook cover data ethics and security requirements. We perform continuous GDPR control, and we expect everyone to stay updated and compliant with GDPR rules. Staffers have signed and thereby committed themselves to read and live up to our policies on (1) person-data and (2) information security.

Share of the underrepresented gender in the Board

The Board consist of five people elected at the general assembly, consisting of four males and one female. The Danish authorities define gender equality as having a minimum of two representatives from the underrepresented gender (20%). There has been no change in the 5-member board in 2023 with only one representative of the underrepresented gender. We expect to achieve our goal-target of minimum representatives (40%) from the underrepresented gender on the board before 2025. No measures were undertaken to further the achievement of this goal in 2023.

Share of the underrepresented gender in Management

The management team comprise six people consisting of three males and three females. We thus fulfil the requirements according to our 40% target and have no underrepresented gender.

Income statement 1 January - 31 December

		Group		Parent company	
	Note	2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Revenue	1	317,871,508	308,914,928	0	0
Change in inventories of finished goods, work in progress and goods for resale		-229,816,327	-225,547,678	0	0
Other external expenses		-45,449,088	-55,563,779	-420,323	-89,086
Gross profit		**42,606,093**	**27,803,471**	**-420,323**	**-89,086**
Staff expenses	2,3	-26,959,362	-23,955,107	0	0
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	4	-11,156,968	-12,776,495	0	0
Profit/loss before financial income and expenses		**4,489,763**	**-8,928,131**	**-420,323**	**-89,086**
Income from investments in subsidiaries		0	0	-2,675,569	-11,492,976
Financial income	5	1,707,543	1,316,637	25,954	8,135
Financial expenses	6	-7,908,654	-5,358,944	0	-2,705
Profit/loss before tax		**-1,711,348**	**-12,970,438**	**-3,069,938**	**-11,576,632**
Tax on profit/loss for the year	7	-1,271,828	1,412,210	86,762	18,404
Net profit/loss for the year	8	**-2,983,176**	**-11,558,228**	**-2,983,176**	**-11,558,228**

Balance sheet 31 December

Assets

	Note	Group 2023	Group 2022	Parent company 2023	Parent company 2022
		DKK	DKK	DKK	DKK
Completed development projects		9,283,641	7,745,037	0	0
Acquired trademarks		0	211,694	0	0
Goodwill		133,592,731	141,400,371	0	0
Intangible assets	9	**142,876,372**	**149,357,102**	**0**	**0**
Other fixtures and fittings, tools and equipment		324,142	369,473	0	0
Leasehold improvements		282,690	1,116,788	0	0
Property, plant and equipment	10	**606,832**	**1,486,261**	**0**	**0**
Investments in subsidiaries	11	0	0	91,555,650	94,231,219
Deposits	12	439,667	1,440,809	0	0
Fixed asset investments		**439,667**	**1,440,809**	**91,555,650**	**94,231,219**
Fixed assets		**143,922,871**	**152,284,172**	**91,555,650**	**94,231,219**
Inventories	13	**44,905,860**	**54,083,769**	**0**	**0**
Trade receivables		9,169,471	6,297,690	0	0
Receivables from group enterprises		10,200	0	3,410,200	2,000,000
Other receivables		984,473	550,514	15,071	0
Deferred tax asset	16	0	0	0	18,404
Corporation tax receivable from group enterprises		261,927	0	120,836	15,670
Prepayments	14	1,038,471	1,055,170	0	0
Receivables		**11,464,542**	**7,903,374**	**3,546,107**	**2,034,074**
Cash at bank and in hand		**7,356,247**	**11,469,206**	**31,649**	**2,866,509**
Current assets		**63,726,649**	**73,456,349**	**3,577,756**	**4,900,583**
Assets		**207,649,520**	**225,740,521**	**95,133,406**	**99,131,802**

Balance sheet 31 December

Liabilities and equity

		Group		Parent company	
	Note	2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Share capital	15	1,285,566	1,285,566	1,285,566	1,285,566
Retained earnings		93,805,468	97,795,114	93,805,468	97,795,114
Equity		**95,091,034**	**99,080,680**	**95,091,034**	**99,080,680**
Provision for deferred tax	16	1,739,503	491,309	0	0
Provisions		**1,739,503**	**491,309**	**0**	**0**
Credit institutions		46,465,932	53,304,317	0	0
Other payables		17,804,289	16,483,191	0	0
Long-term debt	17	**64,270,221**	**69,787,508**	**0**	**0**
Credit institutions	17	7,000,000	6,000,000	0	0
Prepayments received from customers		3,804,670	4,266,540	0	0
Trade payables		15,642,332	30,479,020	372	9,123
Corporation tax		0	2,257,768	0	0
Other payables	17	14,752,852	10,367,776	42,000	41,999
Deferred income	18	5,348,908	3,009,920	0	0
Short-term debt		**46,548,762**	**56,381,024**	**42,372**	**51,122**
Debt		**110,818,983**	**126,168,532**	**42,372**	**51,122**
Liabilities and equity		**207,649,520**	**225,740,521**	**95,133,406**	**99,131,802**

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Statement of changes in equity

Group

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	1,285,566	97,795,114	99,080,680
Purchase of treasury shares	0	-1,006,470	-1,006,470
Net profit/loss for the year	0	-2,983,176	-2,983,176
Equity at 31 December	**1,285,566**	**93,805,468**	**95,091,034**

Parent company

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	1,285,566	97,795,114	99,080,680
Purchase of treasury shares	0	-1,006,470	-1,006,470
Net profit/loss for the year	0	-2,983,176	-2,983,176
Equity at 31 December	**1,285,566**	**93,805,468**	**95,091,034**

Cash flow statement 1 January - 31 December

	Note	Group 2023	Group 2022
		DKK	DKK
Result of the year		-2,983,176	-11,558,228
Adjustments	19	19,631,049	15,406,592
Change in working capital	20	-2,695,826	-3,903,432
Cash flow from operations before financial items		**13,952,047**	**-55,068**
Financial income		1,707,543	1,316,638
Financial expenses		-6,176,631	-5,358,945
Cash flows from ordinary activities		**9,482,959**	**-4,097,375**
Corporation tax paid		-2,543,329	0
Other adjustments		0	565,676
Cash flows from operating activities		**6,939,630**	**-3,531,699**
Purchase of intangible assets		-3,635,694	-5,567,551
Purchase of property, plant and equipment		-161,115	-1,588,598
Fixed asset investments made etc		0	-1,215,907
Cash flows from investing activities		**-3,796,809**	**-8,372,056**
Repayment of mortgage loans		-410,925	0
Repayment of loans from credit institutions		-5,838,385	-5,000,000
Purchase of treasury shares		-1,006,470	-65,060
Cash capital increase		0	2,825,210
Cash flows from financing activities		**-7,255,780**	**-2,239,850**
Change in cash and cash equivalents		**-4,112,959**	**-14,143,605**
Cash and cash equivalents at 1 January		11,469,206	25,612,811
Cash and cash equivalents at 31 December		**7,356,247**	**11,469,206**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		7,356,247	11,469,206
Cash and cash equivalents at 31 December		**7,356,247**	**11,469,206**

Notes to the Financial Statements

1. Revenue

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
Geographical segments				
Revenue, Denmark	146,954,580	153,466,143	0	0
Revenue, Netherlands	44,622,297	44,207,370	0	0
Revenue, Norway	37,790,721	10,841,542	0	0
Revenue, Sweden	60,288,663	51,977,765	0	0
Revenue, other	28,215,247	48,422,108	0	0
	317,871,508	**308,914,928**	**0**	**0**
Business segments				
Revenue, sale of goods	237,260,467	226,370,702	0	0
Revenue, subscriptions	80,461,059	82,544,226	0	0
Revenue, other	149,982	0	0	0
	317,871,508	**308,914,928**	**0**	**0**

2. Staff Expenses

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
Wages and salaries	22,629,574	19,965,908	0	0
Pensions	1,479,680	1,662,778	0	0
Other social security expenses	440,717	376,453	0	0
Other staff expenses	2,409,391	1,949,968	0	0
	26,959,362	**23,955,107**	**0**	**0**
Including remuneration to the Executive Board and Board of Directors:				
Executive board	3,975,000	2,475,000	0	0
Board of directors	650,330	19,343	0	0
	4,625,330	**2,494,343**	**0**	**0**
Average number of employees	**48**	**53**	**0**	**0**

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
3. Special items				
Staff expenses - restructuring	1,971,056	0	0	0
	1,971,056	**0**	**0**	**0**

Special items relate to costs in connection with fundamental structural, procedural and managerial reorganisations

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
4. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment				
Amortisation of intangible assets	10,116,424	12,561,867	0	0
Depreciation of property, plant and equipment	279,299	214,628	0	0
Gain and loss on disposal	761,245	0	0	0
	11,156,968	**12,776,495**	**0**	**0**

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
5. Financial income				
Other financial income	179,547	57,549	25,954	8,135
Exchange adjustments	658,096	0	0	0
Exchange gains	869,900	1,259,088	0	0
	1,707,543	**1,316,637**	**25,954**	**8,135**

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
6. Financial expenses				
Other financial expenses	6,074,676	3,660,411	0	2,705
Exchange adjustments, expenses	608,736	0	0	0
Exchange loss	1,225,242	1,698,533	0	0
	7,908,654	**5,358,944**	**0**	**2,705**

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
7. Income tax expense				
Current tax for the year	141,714	-370,000	-105,166	0
Deferred tax for the year	1,266,599	-1,042,210	18,404	-18,404
Adjustment of tax concerning previous years	-136,485	0	0	0
	1,271,828	**-1,412,210**	**-86,762**	**-18,404**

	Parent company	
	2023	2022
	DKK	DKK
8. Profit allocation		
Retained earnings	-2,983,176	-11,558,228
	-2,983,176	**-11,558,228**

9. Intangible fixed assets
Group

	Completed development projects	Acquired trademarks	Goodwill
	DKK	DKK	DKK
Cost at 1. January	11,289,029	7,500,000	156,155,375
Additions for the year	3,635,695	0	0
Cost at 31. December	14,924,724	7,500,000	156,155,375
Impairment losses and depreciation at 1. January	3,543,993	7,288,306	14,755,004
Depreciation for the year	2,097,090	211,694	7,807,640
Impairment losses and depreciation at 31. December	5,641,083	7,500,000	22,562,644
Carrying amount at 31. December	**9,283,641**	**0**	**133,592,731**
Amortised over	5 years	2 years	20 years

Development projects include incurring costs for the development of new functionalities for the company's IT platform and BI system. The amount consists of internal and external hours. The IT platform is used to manage the company's activities.

Goodwill relates to the acquisition of the Luxplus Group Goodwill related to the acquisitions is amortised over a 20 year period. Goodwill is tested at an aggregated level for Luxplus Group. The individual entities cannot be assessed separately because the value-creating processes are generated across the Group, including synergies from combined operations, economies of scale and future growth potential.

Management has not identified any indications of impairment in 2023.

Notes to the Financial Statements

10. Property, plant and equipment
Group

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1. January	2,261,307	483,943
Additions for the year	161,114	0
Disposals for the year	-1,055,280	-79,303
Cost at 31. December	1,367,141	404,640
Impairment losses and depreciation at 1. January	1,144,519	114,470
Depreciation for the year	246,706	32,593
Reversal of impairment and depreciation of sold assets	-348,226	-25,113
Impairment losses and depreciation at 31. December	1,042,999	121,950
Carrying amount at 31. December	**324,142**	**282,690**
Amortised over	3-5 years	5 years

11. Investments in subsidiaries

	Parent company	
	2023	2022
	DKK	DKK
Cost at 1 January	105,724,195	105,724,195
Cost at 31 December	105,724,195	105,724,195
Value adjustments at 1 January	-11,492,976	0
Net profit/loss for the year	-2,675,569	-11,492,976
Value adjustments at 31 December	-14,168,545	-11,492,976
Carrying amount at 31 December	**91,555,650**	**94,231,219**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership	Equity	Net profit/loss for the year
CC Toaster Holding II ApS	København	736.899	100%	91,555,650	-2,675,569

Notes to the Financial Statements

12. Other fixed asset investments

Group

	Deposits
	DKK
Cost at 1. January	1,440,809
Additions for the year	322,570
Disposals for the year	-1,323,712
Cost at 31. December	439,667
Carrying amount at 31. December	**439,667**

	Group		**Parent company**	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
13. Inventories				
Finished goods and goods for resale	44,905,860	54,083,769	0	0
	44,905,860	**54,083,769**	**0**	**0**

14. Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

15. Share capital

The share capital consists of 1,285,566 shares of a nominal value of DKK 1. No shares carry any special rights.

On 1 March 2023, the Company acquired 21,577 treasury shares, corresponding to 1.68%. The total payment for the shares amounted to kDKK 1,006,470, which has been transferred from retained earnings under equity. These shares have not been cancelled and are therefore held as treasury shares. The Company may choose to sell these shares at a later time. The shares have been acquired as part of the Company's strategy.

The Company holds a total of 21,577 shares with a nominal value of DKK 1,006,470 corresponding to 1.68% of the total capital.

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
16. Provision for deferred tax				
Deferred tax liabilities at 1 January	491,309	1,533,519	-18,404	0
Amounts recognised in the income statement for the year	1,248,194	-1,042,210	18,404	-18,404
Deferred tax liabilities at 31 December	**1,739,503**	**491,309**	**0**	**-18,404**

17. 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:

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
Credit institutions				
After 5 years	0	0	0	0
Between 1 and 5 years	46,465,932	53,304,317	0	0
Long-term part	46,465,932	53,304,317	0	0
Within 1 year	7,000,000	6,000,000	0	0
	53,465,932	**59,304,317**	**0**	**0**
Other payables				
After 5 years	0	0	0	0
Between 1 and 5 years	17,804,289	16,483,191	0	0
Long-term part	17,804,289	16,483,191	0	0
Other short-term payables	14,752,852	10,367,776	42,000	41,999
	32,557,141	**26,850,967**	**42,000**	**41,999**

18. Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

19. Cash flow statement - Adjustments

	Group 2023	Group 2022
	DKK	DKK
Financial income	-1,707,543	-1,316,637
Financial expenses	7,908,654	5,358,944
Depreciation, amortisation and impairment losses, including losses and gains on sales	11,156,968	12,776,495
Tax on profit/loss for the year	1,271,828	-1,412,210
Other adjustments	1,001,142	0
	19,631,049	**15,406,592**

20. Cash flow statement - Change in working capital

	Group 2023	Group 2022
	DKK	DKK
Change in inventories	9,177,909	-8,774,164
Change in receivables	-3,299,241	2,402,969
Change in trade payables, etc	-8,574,494	2,467,763
	-2,695,826	**-3,903,432**

21. Contingent assets, liabilities and other financial obligations

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	559,144	6,036,960	0	0
Between 1 and 5 years	0	9,600,000	0	0
After 5 years	0	5,200,000	0	0
	559,144	**20,836,960**	**0**	**0**

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK

21. 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 by the Group amounts to DKK 0. 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 Group’s liability.

22. Related parties

	Basis
Controlling interest	
CC Toaster Invest ApS	Immediate parent company.
CataCap II K/S	Ultimate parent company.
Other related parties	
CC Toaster Holding II ApS	Group enterprise.
Luxplus ApS	Group enterprise.
Luxplus MIIP ApS	Group enterprise.

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

23. Fee to auditors appointed at the general meeting

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
PricewaterhouseCoopers				
Audit fee	440,000	400,000	25,000	25,000
Other assurance engagements	165,000	150,000	25,000	25,000
Non-audit services	771,334	428,800	0	0
	1,376,334	**978,800**	**50,000**	**50,000**

24. Subsequent events

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

Notes to the Financial Statements

25. Accounting policies

The Annual Report of CC Toaster Holding I ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023 are presented in DKK.

Recognition and measurement

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.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, CC Toaster Holding I ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Business acquisitions carried through on or after 1 July 2018

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

Business acquisitions carried through before 1 July 2018

Subject to some exemptions, acquisitions carried through before 1 July 2018 are accounted for under the same accounting policies as those applying to business combinations carried through on or after 1 July 2018. The most material exemptions are:

- Identifiable assets and liabilities of the entity acquired are recognised only if they are probable.
- Identifiable contingent liabilities of the entity acquired are not recognised in the consolidated balance sheet.
- Where the purchase price allocation is not final, positive and negative differences due to changes to the recognition and measurement of the acquired net assets may be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.
- Transaction costs directly attributable to the acquisition of subsidiaries are included as part of cost.
- After the initial recognition, adjustment of contingent consideration is recognised directly with its counter entry in initial purchase price, thus correcting the value of goodwill or negative goodwill.
- In respect of step acquisitions, the carrying amount of the existing investments is recognised in cost.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses 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.

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

Net sales

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 Group.

Notes to the Financial Statements

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve the consolidated revenue for the year.

Other external expenses

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

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

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.

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 20 year.

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 2 year.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

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

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

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.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

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.

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

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

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Cash Flow Statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise ”Overdraft facilities”.

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Gross margin	Gross profit x 100 / Revenue
Profit margin	Profit/loss of ordinary primary operations x 100 / Revenue
Return on assets	Profit/loss of ordinary primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity