



Conaxess Trade Denmark Beverages A/S

Stamholmen 151, 4. mf
2650 Hvidovre
CVR No. 63395013

Annual report 2022

The Annual General Meeting adopted the
annual report on 29.03.2023

Niels Holger Haase
Chairman of the General Meeting

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Entity details

Entity

Conaxess Trade Denmark Beverages A/S

Stamholmen 151, 4. mf

2650 Hvidovre

Business Registration No.: 63395013

Registered office: Hvidovre

Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Nils Holger Hasse, Chairman

Jacob Schilling

Uwe Thellmann

Hanne Magnussen

Anthony Leonard Hunt

Thomas Mempel

Executive Board

Jan Rose Pedersen

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 Conaxess Trade Denmark Beverages A/S for the financial year 01.01.2022 - 31.12.2022.

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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

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.

Hvidovre, 29.03.2023

Executive Board

Jan Rose Pedersen

Board of Directors

Nils Holger Hasse
Chairman

Jacob Schilling

Uwe Thellmann

Hanne Magnussen

Anthony Leonard Hunt

Thomas Mempel

Independent auditor's report

To the shareholders of Conaxess Trade Denmark Beverages A/S

Opinion

We have audited the financial statements of Conaxess Trade Denmark Beverages A/S for the financial year 01.01.2022 - 31.12.2022, 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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 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 under the Danish Financial Statements Act.

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 of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 29.03.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Hans Tauby

State Authorised Public Accountant
Identification No (MNE) mne44339

Management commentary

Financial highlights

	2022 DKK'000	2021 DKK'000	2020 DKK'000	2019 DKK'000	2018 DKK'000
Key figures					
Gross profit/loss	37,906	27,388	24,783	21,942	16,551
Operating profit/loss	16,707	8,427	6,331	7,225	4,855
Net financials	2,162	1,018	605	227	45
Profit/loss for the year	14,682	7,341	5,400	5,786	3,812
Total assets	170,453	162,100	143,999	149,405	91,898
Equity	46,352	31,670	24,329	18,929	13,143
Ratios					
Return on equity (%)	59.87	26.22	24.97	36.08	33.92
Equity ratio (%)	27.19	19.54	16.90	12.67	14.30

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

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity * 100

Total assets

Primary activities

Conaxess Trade Denmark Beverages A/S is a sales and marketing company whose principal activity is distribution of branded goods, with main emphasis on spirits, Ready to Drink, Ready to Serve, champagne and wines.

Development in activities and finances

The profit from ordinary activities after tax is DKK 14,682 thousand against DKK 7,341 thousand last year. Management considers the result satisfactory.

Profit/loss for the year in relation to expected developments

Management considers the result very satisfactory.

Uncertainty relating to recognition and measurement

There have been no uncertainties as to recognition or measurement in 2022.

Unusual circumstances affecting recognition and measurement

None.

Outlook

Results for 2023 are expected to be below 2022 driven by a change in the portfolio. The focus in 2023 will be on continued consolidation and growth of current portfolio, improvement of earnings, adding strategic principals / brands to support the existing portfolio as well as continuous improvement of capital resources managing the current economic environment.

The Company is not exposed to any significant risks relating to individual customers or trading partners. All customers are credit rated initially and on a sample basis in connection with the ongoing evaluation of the credit limits.

The Company's cash and bank loans yield interest at current floating interest rates.

Environmental performance

The Company has implemented Code of Conduct in 2017, which among other things includes policies for climate Impact and in 2022 an ESG policy.

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 2022

	Notes	2022 DKK'000	2021 DKK'000
Gross profit/loss		37,906	27,388
Staff costs	1	(21,128)	(18,890)
Depreciation, amortisation and impairment losses		(71)	(71)
Operating profit/loss		16,707	8,427
Other financial income	2	4,927	3,263
Other financial expenses	3	(2,765)	(2,245)
Profit/loss before tax		18,869	9,445
Tax on profit/loss for the year	4	(4,187)	(2,104)
Profit/loss for the year	5	14,682	7,341

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Other fixtures and fittings, tools and equipment		136	207
Property, plant and equipment	6	136	207
Other receivables		210	210
Financial assets	7	210	210
Fixed assets		346	417
Manufactured goods and goods for resale		34,921	29,346
Inventories		34,921	29,346
Trade receivables	8	38,129	22,820
Receivables from group enterprises		90,322	106,268
Other receivables		6,735	3,249
Receivables		135,186	132,337
Current assets		170,107	161,683
Assets		170,453	162,100

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital		2,000	2,000
Retained earnings		44,352	29,670
Equity		46,352	31,670
Deferred tax	9	5	12
Provisions		5	12
Holiday pay obligation		1,771	1,734
Non-current liabilities other than provisions		1,771	1,734
Bank loans		11,540	10,339
Trade payables		37,039	48,653
Tax payable		4,195	2,109
Other payables		69,551	67,583
Current liabilities other than provisions		122,325	128,684
Liabilities other than provisions		124,096	130,418
Equity and liabilities		170,453	162,100
Unrecognised rental and lease commitments	10		
Contingent liabilities	11		
Assets charged and collateral	12		
Related parties with controlling interest	13		
Group relations	14		

Statement of changes in equity for 2022

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	2,000	29,670	31,670
Profit/loss for the year	0	14,682	14,682
Equity end of year	2,000	44,352	46,352

Notes

1 Staff costs

	2022	2021
	DKK'000	DKK'000
Wages and salaries	19,627	17,410
Pension costs	1,297	1,257
Other social security costs	204	223
	21,128	18,890
Number of employees at balance sheet date	27	26

	Remuneration of Management 2022 DKK'000	Remuneration of Management 2021 DKK'000
Executive Board	2,087	2,100
	2,087	2,100

With reference to the Danish Financial Statements Act § 98b, 3, the information of remuneration for Management has been disclosed as only one category, due to Executive Management solely consists of one person.

2 Other financial income

	2022	2021
	DKK'000	DKK'000
Financial income from group enterprises	4,927	3,263
	4,927	3,263

3 Other financial expenses

	2022	2021
	DKK'000	DKK'000
Other financial expenses	2,765	2,245
	2,765	2,245

4 Tax on profit/loss for the year

	2022	2021
	DKK'000	DKK'000
Current tax	4,195	2,109
Change in deferred tax	(8)	(5)
	4,187	2,104

5 Proposed distribution of profit and loss

	2022 DKK'000	2021 DKK'000
Retained earnings	14,682	7,341
	14,682	7,341

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	355
Cost end of year	355
Depreciation and impairment losses beginning of year	(148)
Depreciation for the year	(71)
Depreciation and impairment losses end of year	(219)
Carrying amount end of year	136

7 Financial assets

	Other receivables DKK'000
Cost beginning of year	210
Cost end of year	210
Carrying amount end of year	210

8 Trade receivables

Out of the total trade receivables amounting to DKK 61,109 thousand, DKK 11,540 thousand comprise factored trade receivables. The factored trade receivables as well as the liability to the factoring bank, is derecognized when the factoring bank receives payment from the debtor.

9 Deferred tax

	2022 DKK'000	2021 DKK'000
Property, plant and equipment	5	12
Deferred tax	5	12

	2022 DKK'000	2021 DKK'000
Changes during the year		
Beginning of year	12	17
Recognised in the income statement	(7)	(5)
End of year	5	12

10 Unrecognised rental and lease commitments

	2022 DKK'000	2021 DKK'000
Liabilities under rental or lease agreements until maturity in total	3,073	3,473

11 Contingent liabilities

The Company participates in a Danish joint taxation arrangement where Conaxess Trade Denmark A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company 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.

12 Assets charged and collateral

In order for the Company to become registered for import of wine and spirits, the Company has provided security in the form of cash funds of DKK 210 thousand as of 31 December 2022, classified as other financial assets.

As collateral for a bank credit facilities, floating charge amounting to DKK 17,000 thousand has been provided in the Company's inventory with a book value of DKK 34,921 thousand at 31 December 2022.

As collateral for factoring bank, floating charge amounting to DKK 11,540 thousand has been provided in the Company's trade receivables with a book value of DKK 38,129 thousand.

13 Related parties with controlling interest

Conaxess Trade Denmark A/S, Business Registration No 16 01 55 12, Stamholmen 151, 4., 2650 Hvidovre, owns 75% of the shares of the Company.

Conaxess Trade Denmark A/S is owned 100% by:

Conaxess Trade Holding AB, Löfströms allé 5, 172 66 Sundbyberg, Sweden

which is owned 100% by:

Conaxess Holding Sweden AB, Löfströms allé 5, 172 66 Sundbyberg, Sweden

which is owned 100% by:

Aurelius Gamma Invest GmbH, Ludwig-Ganghof-Straße 6, 82031 Grünwald, Germany

which is owned 100% by:

Aurelius Equity Opportunities SE & Co. KgaA, Ludwig-Ganghof-Straße 6, 82031 Grünwald, Germany

Thus the above mentioned entities have control over Conaxess Trade Denmark Beverages A/S.

14 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Aurelius Equity Opportunities SE & Co. KgaA, Ludwig-Ganghof-Straße 6, 82031 Grünwald, Germany

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Conaxess Trade Holding AB, Lövströms Allé 5, 172 66 Sundbyberg, Sweden.

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).

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and external expenses.

Revenue

Revenue from the sale of goods is recognised in the incomestatement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Company's ordinary activities, including expenses for distribution, logistics, premises, marketing costs, IT-costs and corporate costs. This item also includes writedowns of receivables recognized in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for

company staff.

Depreciation, amortisation and impairment losses

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

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises and currency gains.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and currency losses.

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 Company 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

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	5-8 years

Estimated useful lives and residual values are reassessed annually.

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

Receivables

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

Inventories

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

Cost consists of purchase price plus delivery costs.

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

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.

Other financial liabilities

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

Bank loan includes a factoring credit. Factoring credit is recognized with an amount equal to the share to which the factoring bank has recourse right, and is derecognized when the factoring bank receives payment from the debtor.

Tax receivable or payable

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

Cash flow statement

The cash flow statement has not been prepared for the Company as the cash flow statement is included in the cash flow statement of the consolidated financial statements of the ultimate parent company cf. the Danish Financial Statements Act § 86 (4).