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# *Copenhagen Merchants A/S*

Klubiensvej 22, DK-2150 Nordhavn

## Annual Report for 2024

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CVR No. 31 49 50 91

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 1/4 2025

Klaus Ewald Madsen  
Chairman of the  
general meeting



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# Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Copenhagen Merchants A/S for the financial year 1 January - 31 December 2024.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and of the results of the Company operations for 2024.

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

Nordhavn, 1 April 2025

## Executive Board

Simon Christensen  
CEO

## Board of Directors

Klaus Ewald Madsen  
Chairman

Torben Herman Christensen

Simon Christensen

# Independent Auditor's report

To the shareholders of Copenhagen Merchants A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Copenhagen Merchants A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## 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 Company's internal control.

# Independent Auditor's report

- 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 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 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.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the Financial Statements. We are responsible for the direction, supervision and review of the audit work performed. 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.

Hellerup, 1 April 2025

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Ulrik Ræbild

State Authorised Public Accountant

mne33262

Oliver Svane

State Authorised Public Accountant

mne49837

## Company information

<b>The Company</b>	Copenhagen Merchants A/S Klubiensvej 22 DK-2150 Nordhavn  CVR No: 31 49 50 91 Financial period: 1 January - 31 December Incorporated: 16 June 2008 Financial year: 17th financial year Municipality of reg. office: Copenhagen
<b>Board of Directors</b>	Klaus Ewald Madsen, chairman Torben Herman Christensen Simon Christensen
<b>Executive Board</b>	Simon Christensen
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

## Income statement 1 January - 31 December

	Note	2024	2023
		DKK	DKK
<b>Gross profit</b>		<b>6,509,969</b>	<b>4,718,374</b>
Staff expenses	3	-8,410,868	-10,317,592
<b>Profit/loss before financial income and expenses</b>		<b>-1,900,899</b>	<b>-5,599,218</b>
Income from investments in subsidiaries		4,033,372	2,354,667
Income from investments in associates		-1,897,464	-1,230,812
Financial income	4	378,300	109,783
Financial expenses	5	-845,124	-208,534
<b>Profit/loss before tax</b>		<b>-231,815</b>	<b>-4,574,114</b>
Tax on profit/loss for the year	6	191,378	948,568
<b>Net profit/loss for the year</b>		<b>-40,437</b>	<b>-3,625,546</b>
 <b>Distribution of profit</b>			
		2024	2023
		DKK	DKK
<b>Proposed distribution of profit</b>			
Retained earnings		-40,437	-3,625,546
		<b>-40,437</b>	<b>-3,625,546</b>

## Balance sheet 31 December

### Assets

	Note	2024	2023
		DKK	DKK
Investments in subsidiaries	7	15,792,886	11,707,652
Investments in associates	8	673,857	768,101
Receivables from group enterprises	9	2,463,290	0
<b>Fixed asset investments</b>		<b>18,930,033</b>	<b>12,475,753</b>
<b>Fixed assets</b>		<b>18,930,033</b>	<b>12,475,753</b>
Trade receivables		560,872	1,399,789
Receivables from group enterprises		730,561	1,617,469
Receivables from associates		287,872	421,672
Other receivables		226,552	78,505
Deferred tax asset	10	744,394	502,638
Corporation tax receivable from group enterprises		459,909	445,930
Prepayments		193,544	631,478
<b>Receivables</b>		<b>3,203,704</b>	<b>5,097,481</b>
<b>Cash at bank and in hand</b>		<b>64,747</b>	<b>913,130</b>
<b>Current assets</b>		<b>3,268,451</b>	<b>6,010,611</b>
<b>Assets</b>		<b>22,198,484</b>	<b>18,486,364</b>

# Balance sheet 31 December

## Liabilities and equity

	Note	2024	2023
		DKK	DKK
Share capital		2,000,000	2,000,000
Reserve for exchange rate conversion		-61,652	-137,368
Retained earnings		562,954	603,391
<b>Equity</b>		<b>2,501,302</b>	<b>2,466,023</b>
Provisions relating to investments in group enterprises		0	3,736,017
<b>Provisions</b>		<b>0</b>	<b>3,736,017</b>
Payables to group enterprises		3,694,018	0
<b>Long-term debt</b>	11	<b>3,694,018</b>	<b>0</b>
Trade payables		646,724	709,429
Payables to group enterprises	11	13,022,985	8,224,939
Other payables		2,333,455	3,349,956
<b>Short-term debt</b>		<b>16,003,164</b>	<b>12,284,324</b>
<b>Debt</b>		<b>19,697,182</b>	<b>12,284,324</b>
<b>Liabilities and equity</b>		<b>22,198,484</b>	<b>18,486,364</b>
Capital resources	1		
Key activities	2		
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## Statement of changes in equity

	Share capital	Reserve for exchange rate conversion	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	2,000,000	-137,368	603,391	2,466,023
Exchange adjustments relating to foreign entities	0	75,716	0	75,716
Net profit/loss for the year	0	0	-40,437	-40,437
<b>Equity at 31 December</b>	<b>2,000,000</b>	<b>-61,652</b>	<b>562,954</b>	<b>2,501,302</b>

# Notes to the Financial Statements

## 1. Capital resources

The company's current liabilities exceed its current assets on the balance sheet. The Parent Company has issued a letter of support ensuring the Company's capital resources is sufficient to continue operations and pay all obligations as these fall due going through 2025.

The letter of support is valid until the general meeting in 2026.

## 2. Key activities

The company's core activity consists of brokerage of grain and other bulk goods.

## 3. Staff expenses

	<u>2024</u>	<u>2023</u>
	DKK	DKK
Wages and salaries	7,602,919	9,679,435
Pensions	497,600	595,200
Other social security expenses	32,751	36,929
Other staff expenses	277,598	6,028
	<u>8,410,868</u>	<u>10,317,592</u>
Average number of employees	<u>7</u>	<u>7</u>

## 4. Financial income

	<u>2024</u>	<u>2023</u>
	DKK	DKK
Interest received from group enterprises	198,156	0
Other financial income	34,514	109,783
Exchange adjustments	145,630	0
	<u>378,300</u>	<u>109,783</u>

## Notes to the Financial Statements

	<u>2024</u>	<u>2023</u>
	DKK	DKK
<b>5. Financial expenses</b>		
Interest paid to group enterprises	814,219	105,873
Other financial expenses	30,905	39,711
Exchange adjustments, expenses	0	62,950
	<u>845,124</u>	<u>208,534</u>
	<u>2024</u>	<u>2023</u>
	DKK	DKK
<b>6. Income tax expense</b>		
Current tax for the year	-13,979	-445,930
Deferred tax for the year	-241,756	-502,638
Adjustment of tax concerning previous years	64,357	0
	<u>-191,378</u>	<u>-948,568</u>

## Notes to the Financial Statements

	2024	2023
	DKK	DKK
<b>7. Investments in subsidiaries</b>		
Cost at 1 January	9,122,401	5,546,795
Additions for the year	10,772,973	3,575,606
Cost at 31 December	<u>19,895,374</u>	<u>9,122,401</u>
Value adjustments at 1 January	-1,150,766	7,331,503
Exchange adjustment	72,496	-136,281
Net profit/loss for the year	4,033,372	2,354,667
Dividend to the Parent Company	-9,425,680	-10,700,655
Value adjustments at 31 December	<u>-6,470,578</u>	<u>-1,150,766</u>
Equity investments with negative net asset value amortised over receivables	<u>2,368,090</u>	<u>0</u>
Equity investments with negative net asset value transferred to provisions	<u>0</u>	<u>3,736,017</u>
<b>Carrying amount at 31 December</b>	<b><u>15,792,886</u></b>	<b><u>11,707,652</u></b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership and Votes
Copenhagen Merchants Hamburg GmbH	Germany	EUR 200.000	100%
CM Geneva S.A.	Switzerland	CHF 50.000	100%
CM Partner A/S	Denmark	DKK 500.000	100%
CM Kaunas UAB	Lithuania	EUR 2.500	100%
CM São Paulo LDTA	Brazil	BRL 6.574.498	100%
CM Mena LLC FZ	United Arab Emirates	USD 0	100%
Copenhagen Merchants Madrid S.L.	Spain	EUR 15.000	100%

## Notes to the Financial Statements

	2024	2023
	DKK	DKK
<b>8. Investments in associates</b>		
Cost at 1 January	2,000,000	0
Additions for the year	1,800,000	2,000,000
Cost at 31 December	<u>3,800,000</u>	<u>2,000,000</u>
Value adjustments at 1 January	-1,231,899	0
Exchange adjustment	3,220	-1,087
Net profit/loss for the year	-1,897,464	-1,230,812
Value adjustments at 31 December	<u>-3,126,143</u>	<u>-1,231,899</u>
<b>Carrying amount at 31 December</b>	<u><b>673,857</b></u>	<u><b>768,101</b></u>

Investments in associates are specified as follows:

Name	Place of registered office	Share capital	Ownership and Votes
CM Navigator A/S	Denmark	TDKK 10.000	20%

## 9. Other fixed asset investments

	Receivables from group enterprises
	DKK
Cost at 1 January	0
Additions for the year	4,831,380
Cost at 31 December	<u>4,831,380</u>
Impairment losses at 1 January	0
Impairment losses for the year	2,368,090
Impairment losses at 31 December	<u>2,368,090</u>
<b>Carrying amount at 31 December</b>	<u><b>2,463,290</b></u>

## Notes to the Financial Statements

	2024	2023
	DKK	DKK
<b>10. Deferred tax asset</b>		
Deferred tax asset at 1 January	502,638	0
Amounts recognised in the income statement for the year	241,756	502,638
<b>Deferred tax asset at 31 December</b>	<b>744,394</b>	<b>502,638</b>

The recognised tax asset primarily comprises of tax losses carried forward. In the years ahead, the Company or the group of jointly taxed enterprises expect to realise the recognised deferred tax asset; on that basis, the asset has been recognised at 31 December 2024.

	2024	2023
	DKK	DKK
<b>11. Long-term debt</b>		

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:

### Payables to group enterprises

After 5 years	0	0
Between 1 and 5 years	3,694,018	0
Long-term part	3,694,018	0
Other short-term debt to group enterprises	13,022,985	8,224,939
	<b>16,717,003</b>	<b>8,224,939</b>

	2024	2023
	DKK	DKK
<b>12. Contingent assets, liabilities and other financial obligations</b>		
<b>Rental and lease obligations</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	277,485	286,616
Between 1 and 5 years	197,860	457,947
	<b>475,345</b>	<b>744,563</b>

# Notes to the Financial Statements

2024

2023

DKK

DKK

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

### Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of CM Holding A/S, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 13. Related parties and disclosure of consolidated financial statements

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest group:

Name

Place of registered office

CM Holding A/S

Klubiensvej 22, 2150 Nordhavn

# Notes to the Financial Statements

## 14. Accounting policies

The Annual Report of Copenhagen Merchants A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024 are presented in DKK.

### Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences 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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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 transaction date rates are recognised in financial income and expenses in the income statement.

Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

# Notes to the Financial Statements

## Income statement

### Revenue

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

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

### Expenses for raw materials and consumables

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

### Other external expenses

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

### Gross profit

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

### Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

### Income from investments in subsidiaries and associates

The items "Income from investments in subsidiaries" and "Income from investments in associates" in the income statement include 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 CM Holding A/S. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Balance sheet

### Investments in subsidiaries and associates

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

The items "Investments in subsidiaries" and "Investments in associates" 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.

# Notes to the Financial Statements

The total net revaluation of investments in subsidiaries and associates 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 and the associates.

Subsidiaries and associates 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.

## **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

## **Prepayments**

Prepayments recognized under current assets include incurred expenses related to subsequent financial years.

## **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**

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