Annual Report

1. May 2025 – 30. April 2026

The Annual Report was presented and approved at the Annual General Meeting on 7 September 2026

Chairman of the Annual General Meeting
Ivan Vijay Thygesen

CIRCLE K | ingo

Circle K Danmark A/S, CVR number 28142412

TABLE OF CONTENTS

MANAGEMENT'S STATEMENT

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Circle K Danmark A/S for the financial year 1 May 2025 – 30 April 2026.

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 on 30 April 2026 of the company and of the results of the company operations for the financial year 1 May 2025 – 30 April 2026.

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

Copenhagen, 7 September 2026

Executive Board:

Peter Rasmussen

Board of Directors:

Jørn Madsen (chairman)	Erika Viola Kristina Johansson
Ciara Foxton	
Michael Sæderup Starcke (employee representative)	

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Circle K Danmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 April 2026, and of the results of the Company's operations for the financial year 1 May 2025 – 30 April 2026 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Circle K Danmark A/S for the financial year 1 May 2025 – 30 April 2026, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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.

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 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 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 skepticism 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.

- 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.

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, 7 September 2026

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Rikke Lund-Kühl
State Authorised Public Accountant
Mne33507

Claus Carlsson
State Authorised Public Accountant
mne29461

INFORMATION ABOUT THE COMPANY

Circle K Danmark A/S
Borgmester Christiansens Gade 50
2450 København SV
Telephone: +45 70 101 101
CVR-no. 28 14 24 12

Board of Directors

Jørn Madsen (chairman)
Erika Viola Kristina Johansson
Ciara Foxton
Michael Sæderup Starcke (employee representative)

Executive Board

Peter Rasmussen

Parent Company

Circle K AS, Oslo, Norway, Ownership 100 %

Ultimate Parent Company

Alimentation Couche-Tard Inc., Montreal, Canada, Ownership 100 %

Partnerships

I/S Fællesskiltning, Ownership 58,5 %

Auditors:

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

The Annual Reports for Alimentation Couche-Tard Inc. can be downloaded on
https://corpo.couche-tard.com/en/investors/financial-information/financial-reporting/

FINANCIAL HIGHLIGHTS

Amounts in DKK million	2025/26	2024/25	2023/24	2022/23	2021/22
Revenue	11 245	11 901	13 571	16 653	13 408
Profit/loss before financial income and expenses	698	664	517	458	546
Net financial expenses	(29)	(23)	(66)	(25)	(62)
Profit/loss before tax	669	641	451	433	484
Tax on the profit for the year	(182)	(179)	(113)	(95)	(118)
Net profit/loss for the year	487	462	338	338	366
Total assets	5 835	5 449	5 510	5 501	5 906
Equity	2 752	2 965	2 981	2 742	2 404
Investments in property, plant and equipment	778	315	559	404	361
Average number of employees	1 661	1 665	1 685	1 787	1 749

Ratios

Year	2025/26	2024/25	2023/24	2022/23	2021/22
Profit margin	6%	6%	4%	3%	4%
Profit/loss before financial income and expenses in per cent of revenue					
Return on assets	12%	12%	9%	8%	7%
Profit/loss before financial income and expenses in per cent of average assets					
Return on equity	16%	16%	12%	14%	12%
Solvency ratio	47%	54%	54%	50%	41%
Equity in per cent of assets					
Gender diversity in top management (board of directors) and other management level					
Top management (board of directors)					
Total number of members*	3	3	4	4	4
Underrepresented gender in percent*	33%	33%	25%	25%	25%
Other management levels					
Total number of members	10	10	10	10	9
Underrepresented gender in percent	40%	40%	40%	40%	44%

*Exclusive of employee representatives

MANAGEMENT'S REVIEW

Primary activities

Circle K Danmark A/S (Circle K) is part of Alimentation Couche-Tard Inc., a leading destination for convenience and mobility globally, with approximately 145,000 employees and 17,300 locations across 27 countries and territories. In Denmark, we are one of the leading convenience and mobility retailers. Through the Circle K and INGO brands, we operate a nationwide network of 435 locations, serving customers across the country every day.

Bringing together fuel, electric vehicle charging, convenience retail and car wash services, we aim to make life easier for people on the go. Through continued investments in alternative energy solutions and expanded charging network, we are strengthening our role in supporting our customers' changing mobility needs and the transition to more sustainable transportation.

Development in activities and finances

The transition to a lower-carbon future continues to reshape our industry, and Circle K Denmark remains committed to playing an active role in this development. During the year, we maintained strong momentum and strengthened our position as one of Denmark's leading convenience and mobility retailers.

To meet evolving customer needs, we continued to invest in our nationwide network and customer offering. A key focus area was the expansion of our electric vehicle charging infrastructure across the Danish highways, bringing the total number of high-speed charging points to 802 across 133 locations at year-end. Alongside welcoming our customers in new upgraded stores serving delicious and fresh food and drinks while offering nice restroom facilities and surroundings for the break.

Convenience remains at the core of our business. Through our Circle K and INGO network, we provide fuel, charging, carwash and convenience services including fresh food and beverages, while maintaining a strong focus on customer experience and operational excellence. Financially materializing in strong performance across business areas exceeding our result expectations for the year.

Financial highlights

Total revenue decreased by 6% compared with last year, mainly due to a 9% decline in the Danish fuel market as e-mobility continued to gain momentum, partly offset by higher oil prices. Gross profit increased by 4.2%/115 mDKK, reflecting strong performance across all business areas and supported by inventory gains from higher oil prices.

Through continuous cost focus and lean operation cost of doing business is increasing by moderate 2,5%/44 mDKK impacted positively by network changes and extraordinary personnel cost payout related to previous years in FY 2024/25.

EBITDA for FY 2025/26 was 1,081 mDKK, an increase of 70 mDKK, or 6.9%, compared with 1,011 mDKK in the previous year. Net profit after tax for FY 2025/26 was 487 mDKK.

As outlined in the annual report for 2024/25, we expected EBITDA for 2025/26 to be in line with the previous year impacted by changes to our highway network. The realised EBITDA for 2025/26 of 1.081 mDKK, surpassed our forecast driven by strong performance across business areas, continued cost focus and lean operation, positively impacted by inventory gains from higher oil prices.

Outlook

For FY 2026/27, EBITDA is expected to be approximately 10% below the 2025/26 level, reflecting the impact of changes to our highway network and related contracts and lower fuel volumes from the continued growth in e-mobility, changing customer behaviour. The forecast excludes changes in oil prices, as these are driven by external factors and remain inherently unpredictable.

Our offering

At Circle K Denmark, our offering is shaped by a deep understanding of our customers' evolving needs and a commitment to delivering convenience, quality, and sustainable solutions. Building on our strong nationwide presence, we continuously innovate to provide seamless experiences—whether through advanced electric vehicle charging, fresh food and beverage options, or digital services.

Our mission is to make our customers' lives a little easier every day. We strive to meet the demands and needs of people on the go, ensuring that every visit to Circle K reflects our dedication to service, reliability, and responsible business practices. In addition to our retail network, Circle K Denmark serves professional customers through direct sales of fuel products for transport, heating, and other industrial purposes

As customer expectations evolve, loyalty is increasingly driven by a seamless and consistent experience across all touchpoints. Through our fuel, charging, convenience, and digital offerings, we remain focused on delivering value to our customers and strengthening long-term relationships with both private and professional customers.

Our people

With more than 2,800 employees in Denmark, including 2,600 colleagues in our stores, we have scale and the responsibility to make a positive difference. Our people are at the heart of our business and play a vital role in driving the transformation of our company and the customer experience we deliver every day. We remain committed to providing a safe, inclusive and engaging workplace, recognizing that motivated and supported employees are essential to both our daily operations and our long-term development.

As part of our commitment to social responsibility, we continue to support inclusive employment and promote access to the labour market for individuals who may face barriers to employment or continued participation in working life. Through targeted partnerships and flex job schemes, we offer adapted roles, flexible working conditions and relevant work experience opportunities. In FY2025/26, 13 employees were employed through inclusive employment initiatives, and 106 employees were employed under flex job schemes.

In FY2025/26, we introduced a new senior policy aimed at supporting a sustainable and flexible working life across career stages. The policy, developed in collaboration with our Diversity Group and informed by industry benchmarks, provides a framework for flexible working arrangements, the option to reduce working hours while maintaining full pension contributions, and additional leave days from the age of 60. Structured dialogue processes support the implementation of the policy and help ensure that available opportunities are actively addressed, contributing to our continued focus on being an attractive and inclusive employer for all age groups.

Our stores

As a leading operator in the Danish convenience market, we are pleased that our Merch and Service earnings exceeded expectations in FY 2025/26. A consistent focus on product development, customer offerings and targeted marketing and loyalty enabled us to maintain customer traffic despite a declining market and while operating significant changes to our highway network.

Our mobility business

During FY2025/26, the Danish fuel market declined further as the adoption of electric vehicles continued to accelerate, affecting volumes across both our B2B and B2C segments. Despite these headwinds, our mobility business delivered resilient results, gaining market share in a contracting fuel market while continuing to expand our E-Mobility platform. By year-end, we had 802 high-speed charging points across 133 locations, strengthening our position in future mobility and supporting customers' transition to lower-emission transportation.

Risks

Primary operational risks

The company's activities include storage, transport, and sale of petroleum products. Product prices are dependent on global market prices and affected by the development of geo- political and economic development. Further economic development can influence the demand for our products in the stores. We do continuously, as part of our operating model, analyze and adjust our costs and business model to adapt to any changes.

The company is dependent on IT operating without any disturbances on all sites. We have a surveillance of our IT systems and invest continuously to secure our IT operations.

Primary financial risks in line with previous years

As a result of operating, investing, and financing, the company is exposed to changes in exchange rates (primarily U.S. dollars) and in interest rates. Management of these risks is carried out in conjunction with the Group's internal bank, including deployment of the company's cash reserves.

Foreign exchange risk arises from transactions in currencies other than Danish kroner (DKK) and from the assets and liabilities related to working capital and monetary items denominated in foreign currencies.

Cleverly managing inflation at a lower level in combination with continuous cost focus has had a positive effect on the cost of doing business, increasing by moderate 1,5%.

Credit

It is company policy to carry out an ongoing credit evaluation of our customers, and provisions for bad debts are made where appropriate. During FY 2025/26 substantial credits have been granted to our customers.

Events after the balance sheet date

Management is not aware of any events after the balance sheet date which could change the company's financial position.

Statutory statement on corporate social responsibility

For information on strategies, commitments and efforts regarding social responsibility and sustainability, please refer to the published sustainability report for 2025/26 available at https://www.circlek.dk/aarsrapporter.

Statutory statement on data ethics policy

The statutory statement on data ethics policy is available at https://www.circlek.dk/aarsrapporter, where the statement is presented as a separate section in the sustainability report for 2025/26.

INCOME STATEMENT FOR THE PERIOD 1 MAY – 30 APRIL

Amounts in mDKK

Note		2025/26	2024/25
1	Revenue	11 245	11 901
	Cost of sales	(8 415)	(9 186)
	Gross profit	2 830	2 715
	Other external expenses	(828)	(793)
2	Staff expenses	(917)	(908)
3	Other operating income	(0)	(3)
3	Other operating expenses	(4)	(0)
	Earnings before interest, taxes, depreciation and amortization (EBITDA)	1 081	1 011
	Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	(383)	(347)
	Profit/loss before financial income and expenses	698	664
4	Financial income	15	25
5	Financial expenses	(44)	(48)
	Profit/loss before tax	669	641
6	Tax on the profit/loss for the year	(182)	(179)
7	Net profit/loss for the year	487	462
8	Auditor's fee		

BALANCE AT 30 APRIL
ASSETS

Amounts in mDKK

Note		2026	2025
	Assets		
	Fixed assets		
9	Intangible assets		
	Goodwill	249	272
		249	272
10	Property, plant and equipment		
	Land, buildings and tanks	1 350	1 368
	Plant and machinery	530	500
	Other fixtures and fittings, tools and equipment	201	231
	Right-of-use assets	925	540
	Property, plant and equipment under construction	290	245
		3 296	2 884
11	Other financial assets		
	Other securities and investments	6	2
	Other receivables	20	21
		26	23
	Total fixed assets	3 571	3 179
	Current assets		
	Inventories		
	Finished goods and commodities	382	302
		382	302
	Receivables		
	Trade receivables	1 571	1 300
	Receivables from group enterprises	225	588
12	Prepayments	31	19
		1 827	1 907
	Cash at bank and in hand	55	61
	Total current assets	2 264	2 270
	Total assets	5 835	5 449

BALANCE AT 30 APRIL
LIABILITIES

Amounts in mDKK

Note		2026	2025
	Liabilities and equity		
	Equity and debt		
	Equity		
	Share capital	100	100
	Proposed dividend to shareholders	150	500
	Retained earnings	2 502	2 365
		2 752	2 965
	Provisions		
6	Provision for deferred tax	31	39
13	Other provisions	396	404
		427	443
	Long-term debt		
14	Lease Liabilities	833	488
		833	488
	Short-term debt		
	Trade payables	455	339
	Payables to group enterprises	258	129
6	Corporation tax	127	166
14	Lease Liabilities	99	73
	Other payables	883	846
		1 822	1 553
	Total debt	3 083	2 484
	Total liabilities and equity	5 835	5 449
15	Contingent liabilities and other financial obligations		
16	Related parties		

STATEMENT OF CHANGES IN EQUITY

Amounts in mDKK

	2026	2025
Equity		
Share capital		
Balance at 1 May	100	177
Increase of share capital	200	201
Reduction of Share Capital	(200)	(278)
Retained earnings at 1 May	2 365	2 604
Retained earning transferred to share capital	(200)	(201)
Net profit/loss for the year	337	(38)
Retained earnings at 30 April	**2 502**	**2 365**
Dividend for the year		
Balance at 1 May	500	200
Dividend paid during the year	(500)	(200)
Proposed dividend to shareholders	150	500
Dividend for the year	**150**	**500**
Total equity	**2 752**	**2 965**

NOTES TO THE FINANCIAL STATEMENT

Amounts in mDKK

		2025/26	2024/25
1	**Revenue**		
	Sale of oil products at the Danish market	7 701	8 383
	Other sales at the Danish market	3 538	3 512
	Export of oil products	6	6
		11 245	11 901
2	**Staff expenses**		
	Wages and salaries	(813)	(792)
	Pensions	(75)	(90)
	Other social security expenses	(21)	(17)
	Other staff expenses	(8)	(9)
		(917)	(908)
	Average number of employees	1 661	1 665

With reference to section 98 B(3) of the Danish Financial Statements Act, remuneration to Management is not disclosed

3 **Other operating income and expenses**

Other operating income and expenses include profit and loss on sale and disposal of real property.

		2025/26	2024/25
4	**Financial income**		
	Financial income from group enterprises	13	22
	Other financial income	2	3
		15	25
5	**Financial expenses**		
	Financial expenses to group enterprises	0	(1)
	Other financial expenses	(44)	(47)
		(44)	(48)

NOTES TO THE FINANCIAL STATEMENTS

Amounts in mDKK

		2025/26	2024/25
6	**Corporation tax**		
	Corporation Tax	(190)	(195)
	Adjustment of deferred tax	8	16
	Tax on the profit/loss for the year	(182)	(179)
	Total tax in the income statement	(182)	(179)
	The deferred tax liabilities breaks down as follows:		
	Property, plant and equipment	(65)	(70)
	Intangible assets	(47)	(58)
	Leased assets and lease obligations (net)	1	4
	Prepayment / deferred income	(7)	(4)
	Obligation relating to provisions	87	89
	Total deferred tax liabilities	(31)	(39)
7	**Distribution of net profit/loss for the year**		
	Which the Board of Directors proposes be distributed as follows:		
	Dividend for the year	150	500
	Retained earnings	337	(38)
	Total amount at disposal	487	462
8	**Auditor's fee**		
	Fee for statutory audit	1	1
		1	1

NOTES TO THE FINANCIAL STATEMENTS

Amounts in mDKK

		Goodwill	Acquired rights	Total
9 Intangible assets				
Cost:				
	Balance at 1 May	473	6	479
	Additions for the year	0	0	0
	Balance at 30 April	**473**	**6**	**479**
Amortisation and impairment losses:				
	Balance at 1 May	201	6	207
	Amortisation for the year	23	0	23
	Balance at 30 April	**224**	**6**	**230**
Carrying amount				
	at 30 April	**249**	**0**	**249**

NOTES TO THE FINANCIAL STATEMENTS

Amounts in mDKK

	Land, buildings and tanks	Plant and machinery	Other fixtures and fittings, tools and equipment	Right-of-use assets	Property, plant and equipment under construction	Total
10 Property, plant and equipment						
Cost:						
Balance at 1 May	2 894	1 352	747	930	245	6 168
Additions for the year	7	34	11	474	252	778
Disposals for the year	(72)	(42)	(36)	0	0	(150)
Transfer	75	115	17	0	(207)	0
Balance at 30 April	**2 904**	**1 459**	**739**	**1 404**	**290**	**6 796**
Revaluations:						
Balance at 1 May	5	7	0	0	0	12
Disposals for the year	0	0	0	0	0	0
Balance at 30 April	**5**	**7**	**0**	**0**	**0**	**12**
Depreciation and impairment losses:						
Balance at 1 May	1 531	859	516	390	0	3 296
Depreciation for the year	99	116	57	89	0	361
Depreciation of assets sold	(71)	(39)	(35)	0	0	(145)
Balance at 30 April	**1 559**	**936**	**538**	**479**	**0**	**3 512**
Carrying amount at 30 April	**1 350**	**530**	**201**	**925**	**290**	**3 296**

Interest expense related to the leasing liabilities amounts to DKK 19 million.
Short term and low value leases amounts to DKK 5 million which are recognised as other external expenses in the income

For disclosures of the lease liabilities, please refer to note 14.

NOTES TO THE FINANCIAL STATEMENTS

Amounts in mDKK

		Other securities and investments	Other receivables	Total
11	**Other financial assets**			
	Cost:			
	Balance at 1 May	2	24	26
	Additions for the year	4	0	4
	Balance at 30 April	**6**	**23**	**29**
	Value adjustment and impairment losses:			
	Balance at 1 May	0	3	3
	Value adjustment and impairment losses	0	0	0
	Balance at 30 April	**0**	**3**	**3**
	Carrying amount at 30 April (acc to the balance sheet)	**6**	**20**	**26**

12 **Prepayments**

Prepayments comprise prepaid expenses for rent, property taxes and insurance.

NOTES TO THE FINANCIAL STATEMENTS

Amounts in mDKK

		2026	2025
13	**Other provisions**		
	Decontamination obligations:		
	Balance at 1 May	72	64
	Additions for the year	0	14
	Applied in the year	(2)	(3)
	Adjustment for the year	0	(2)
	Balance at 30 April	**70**	**73**
	Expected applied within one year	2	4
	Expected applied after one year	68	69
		70	73
	Demolition obligation:		
	Balance at 1 May	331	329
	Additions for the year	2	1
	Applied in the year	0	0
	Adjustment for the year	(7)	1
	Balance at 30 April	**326**	**331**
	Expected applied within one year	3	1
	Expected applied after one year	323	330
		326	331

NOTES TO THE FINANCIAL STATEMENTS

Amounts in mDKK

14 **Lease Liabilities**

	Due 0-1 year	Due 1-5 years	Due after 5 years	Total
Lease liabilities	99	383	450	932
	99	**383**	**450**	**932**

15 **Contingent liabilities and other financial obligations**

Short term and low value lease obligations	1	1
	1	**1**

Circle K Danmark A/S has an obligation of DKK 9.8 million (FY24/25 DKK 7 million) for contruction of new sites and marketing contracts.

Circle K Danmark A/S is liable for the payment of the outstanding debt from time to time to grocery wholesalers for deliveries to stations that are not owned and managed by Circle K Danmark A/S.

Circle K Danmark A/S has issued bank guarantees totalling DKK 20 million (FY24/25 DKK 24 million) towards the Company's business partners.
Together with other subsidiaries in the Group, the Company has issued a guarantee totalling DKK 60.526 million (FY24/25 DKK 62.456 million) for the bond debt of the parent Company.

The enterprises of the Danish part of the Circle K Group are jointly taxed. The Danish jointly taxed companies are included in a Danish on-account tax payment scheme for Danish corporate income tax. All current taxed under the scheme are recorded in the individual companies. Circle K Danmark A/S is the administration company in the joint taxation.

16 Related parties

Controlling interest:	Basis
Circle K AS Schweigaards gate 16 N-0191 Oslo, Norway	Main shareholder/Parent Company (100% ownership)
Alimentation Couche-Tard Inc. 4204 Industriel Blvd.	Ultimate parent company

Alle transaktioner i koncernen sker på markedsmæssige vilkår.

ACCOUNTING POLICIES

Basis of Preparation

The Annual Report of Circle K Danmark A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C and adopted IFRS 15 and IFRS 16.

The accounting policies applied are unchanged from last year.

The Annual Report is presented in Danish kroner (DKK).

Recognition and measurement

Revenue is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. Moreover, all expenses and depreciation, amortisation and impairment losses for accounting purposes are recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that the company has to give up future economic benefits, and the value of the liability can be measured reliably.

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

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of the transaction. Exchange differences arising between the transaction date rates and the rates at the date 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 difference between the exchange rate at the balance sheet date and the rate at the date when the item arises is recognised in financial income and expenses in the income statement.

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared.

Income Statement

Revenue

Revenue from the sale of oil products, services and sale at the stores is recognised in the income statement at the time of the transaction since the control of goods and services is considered transferred when customer makes payment and takes possession of the sold item. Revenue is recognised exclusive of VAT and indirect taxes and net of customer discounts relating to sales.

Cost of sales

Cost of sales and production costs comprise costs, incurred to achieve revenue for the year. Moreover, energy costs, freight, services and maintenance costs that do not meet the criteria for recognition as assets in the balance sheet are recognised in cost of sales and production costs.

Other external expenses

Other external expenses comprise expenses related to sale, marketing, administration, office premises, office expenses etc.

Staff expenses

Staff expenses include wages and salaries, social security cost, pensions etc.

Other operating income and expenses

Other operating income and expenses comprise items of a secondary nature to the core activities of the company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Result from investment in associates

Circle K Danmark A/S's share of results from associated companies are stated in the income statement.

Financial income and expenses

Financial income and expenses comprise interest income and expenses. Realised and unrealised exchange gains and losses relating to receivables, payables and transactions in foreign currencies are shown as a separate item in the income statement. Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year.

Corporation tax and deferred tax

Tax for the year, which consists of current tax for the year, provision for deferred tax and tax relating to previous years, is recognised in the income statement. Tax attributable to entries directly in equity is recognised in equity.

Provision for deferred tax is calculated at 22% on all temporary differences between the values for accounting and tax purposes except for temporary differences arising at the date of acquisition of assets and liabilities and which have no effect on either profit or taxable income. Deferred tax assets are recognised at the value at which they are expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

The enterprises of the Danish part of the Circle K Group are jointly taxed. The Danish corporation tax is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation).

Balance Sheet

Intangible assets

Goodwill

Positive differences (goodwill) between the cost and fair value of acquired assets and liabilities are recognised in intangible assets and amortised over the expected useful life, which is determined based on Management's experience in the business area concerned. The carrying amount of goodwill is assessed on a current basis and is written down to the higher of the value in use and the net selling price (recoverable amount) of the asset or the group of assets if lower than the carrying amount. The assets are amortised on a straight-line basis over the following expected useful lives:

Goodwill	20 years

The goodwill represents the synergy effect of the brands Circle K and Ingo. We have a large number of sites all over Denmark and the customer is often close to a Circle K or INGO site and therefore the standard useful life of 10 years is assessed not to be sufficient.

Fixed assets

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Land is not depreciated. Depreciation is based on cost reduced by any scrap value after the end of useful life.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. Moreover, estimated future costs are recognised if they qualify for recognition of provisions.

The assets are depreciated on a straight-line basis over the following expected useful life:

Buildings and tanks	20 - 50 years
Plant and machinery	10 - 20 years
Fixtures and fittings, tools and equipment	4 - 10 years

An impairment test is carried out on property, plant and equipment if there is any indication of impairment. The impairment test is made for each individual asset or group of assets. The assets are written down to the higher of the value in use and the net selling price (recoverable amount) of the asset or the group of assets if lower than the carrying amount.

Leases, right-of-use assets

The company leases land, building and other equipment.

For contracts which are or contains a lease, the company recognises a right-of-use asset and a lease liability. Contracts may contain both lease and non-lease component. The lease components are recognised in the balance sheet and the non-lease component are recognised as an expense in profit and loss.

The right-of-use asset is initially measured at cost, being the initial amount of the lease liability adjusted for any lease payments made at/or before the commencement date. The right-of-use asset is subsequently depreciated using the straight-line method over the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease contracts with a lease term of 12 months or less and low value lease assets are not recognised in the balance sheet. Short term leases and low value lease assets are expensed on a straight-line basis over the lease term or another systematic basis.

Leases

Leases in terms of which Circle K Danmark A/S in fact assumes or retains substantially all risks and rewards of ownership are assets (finance leases) and are recognised in the balance sheet as property, plant and equipment. The remaining lease obligation is capitalised and recognised in debt. The interest element on the lease payments is recognised over the lease term in the income statement.

Receivables from group enterprises

Receivables from group enterprises are recognised at nominal value in the balance sheet.

Trade receivables

Trade receivables are measured at amortised cost, generally corresponding to nominal value. Provisions for estimated bad debts are made.

Inventories

Inventories are measured at cost under the FIFO method. Where cost is higher than the net realisable value, inventories are written down to the lower net realisable value.

The cost of raw materials and consumables equals landed cost.

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

Prepayments

Prepayments comprise expenses incurred relating to the subsequent financial year. Prepayments are measured at amortised cost, generally corresponding to nominal value.

Cash at bank and in hand

Cash at bank and in hand comprises cash as well as readily available bank deposits.

Proposed dividend for the year

Dividend is recognised as a liability at the time of adoption at the General Meeting. Dividend expected to be paid for the year is disclosed as a separate equity item.

Other provisions

Provisions are recognised when – in consequence of events occurred – the company has a legal or constructive obligation, and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include expected demolition costs and costs for the removal of known contamination. Obligations for expected demolition costs are recognised at the net present value of expected future costs and a similar amount is capitalised as part of the asset concerned. Subsequent changes to the net present value due to changes to the discount rate or estimated future costs are added to or deducted from the asset.

Lease liabilities

The lease liabilities is initially measured at the present value of the lease payment claim at the commencement date, discounted using the interest rate implicit in the lease contract.
Lease payments consist of the following payments:

- fixed payments from commencement date
- certain variable payments
- residual value guarantees or the exercise price of a purchase option
- termination penalties

If the interest rate implicit in the lease contract cannot be readily determined, the company's incremental borrowing rate in used.

Debt

Trade payables and payables to group enterprises as well as other debt are measured at amortised costs corresponding to the nominal remaining debt.