SU II ApS

Langelinie 27, DK-5230 Odense M

Annual Report for 2024

CVR No. 25 56 90 83

The Annual Report was presented and adopted at the Annual General Meeting of the company on 2/6 2025

Sune Uhrenholt
Chairman of the general meeting

Contents

Management's statement

The Executive Board has today considered and adopted the Annual Report of SU II ApS for the financial year 1 January - 31 December 2024.

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

In my opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2024.

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

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

Odense, 2 June 2025

Executive Board

Sune Uhrenholt
CEO

Independent Auditor's report

To the shareholders of SU II 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 2024 and of the results of the Group's and the Parent Company's operations as well as of the consolidated cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of SU II ApS 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, 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.

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

Odense M, 2 June 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Line Hedam	Anders Kronborg Choy
State Authorised Public Accountant	State Authorised Public Accountant
mne27768	mne44142

Company information

The Company	SU II ApS Langelinie 27 DK-5230 Odense M CVR No: 25 56 90 83 Financial period: 1 January - 31 December Municipality of reg. office: Odense
Executive Board	Sune Uhrenholt
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Munkebjergvænget 1, 3. og 4. sal DK-5230 Odense M

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	2,343,792	0	0	0	0
Gross profit/loss	243,825	-3	-3	-3	-3
Profit/loss of primary operations	72,599	-3	-3	-3	-3
Profit/loss of financial income and expenses	928,170	-632	-348	-556	-254
Net profit/loss for the year	839,830	-635	-351	-560	-257
Balance sheet					
Balance sheet total	1,641,065	143,830	143,830	143,829	143,829
Investment in property, plant and equipment	5,342	0	0	0	0
Equity	998,506	134,055	134,690	135,041	135,601
Cash flows					
Cash flows from:					
- operating activities	51,504	0	1	0	0
- investing activities	-1,182	0	0	0	0
- financing activities	-37,034	0	0	0	0
Change in cash and cash equivalents for the year	13,288	0	1	0	0
Number of employees	196	0	0	0	0
Ratios					
Gross margin	10.4%	0.0%	0.0%	0.0%	0.0%
Profit margin	3.1%	0.0%	0.0%	0.0%	0.0%
Return on assets	4.4%	0.0%	0.0%	0.0%	0.0%
Solvency ratio	60.8%	93.2%	93.6%	93.9%	94.3%
Return on equity	148.3%	-0.5%	-0.3%	-0.4%	-0.2%

Until March 31st, 2024 the Group consisted only of SU II ApS. On April 1st 2024 SU II ApS made a step-acquisition of the Uhrenholt Holding A/S Group, and from this date the key figures are affected by the consolidation of the Uhrenholt Holding A/S-group.

Management's review

Key activities

SU II ApS is the majority stakeholder of the Uhrenholt Group, a privately-owned dairy group based in Denmark. The group operates in more than 125 markets worldwide, either directly or through subsidiaries, and provides a wide range of own brands and private label solutions to retail, wholesale, food service, and industrial customers.

The Uhrenholt Group's competitive advantage is agility, speed, and unparalleled service, and we collaborate closely with our customers to create market-driven food solutions tailored to their needs. We partner with a select group of trusted suppliers to ensure that these often-complex solutions are delivered to the global markets swiftly and efficiently while meeting the agreed standards, commercial targets, and sustainability goals.

At Uhrenholt, our approach to business is straightforward and built on trust, dialogue, and efficiency. Our company structure and culture empower our employees to make decisions and improvements quickly and efficiently. We prioritize long-term relationships with our customers and suppliers to ensure mutual benefit in everything we do.

Development in the year

The income statement of the Group for 2024 shows a profit of TDKK 839,830, and at 31 December 2024 the balance sheet of the Group shows a positive equity of TDKK 998,506.

SU II ApS acquired the controlling interest in the Uhrenholt Holding A/S-group in April 2024 and presents its group financial statements for 2024 with 9 months consolidation of the Uhrenholt Holding A/S-group. The controlling interest was obtained through a step acquisition by purchasing FU III ApS, which also owned shares in the Uhrenholt Holding A/S-group. SU II ApS and FU III ApS were subsequently merged with retroactive effect from January 1, 2024, and SU II ApS thus presents its parent financial statements with 12 months consolidation of the Uhrenholt Holding A/S-group under the equity method.

As part of the step acquisition, SU II ApS' previously held investments in the Uhrenholt Holding A/S-group were remeasured at fair value, which resulted in a significant accounting gain. Reference is made to "Note 3 Special Items".

2024 demanded significant adaptability from the Uhrenholt Holding A/S-group. The business environment has been influenced by several external factors, such as regional conflicts, unstable shipping reliability, rerouting of shipping routes, reduced milk supply, limitations in product availability, and notably, sharply rising raw material prices reaching all-time high levels. These factors have resulted in additional costs for the company and challenged the delivery situation.

Despite these circumstances, our company and business model have demonstrated resilience and, once again delivered a strong result.

Foreign exchange risks

Foreign trade entails transactions and positions in foreign currency. Transactions are mainly in USD, EURO and AUD. It is the company policy to hedge against currency risks. Exchange rate risks related to investments in affiliated enterprises abroad are not hedged.

Management's review

Targets and expectations for the year ahead

In the face of a continued high global uncertainty and fluctuating market conditions, geopolitical tensions and supply chain disruptions, the financial outlook remains highly uncertain. On top of this, the raw material prices within the dairy sector remain high putting further pressure on profit margins.

The last years have shown that the Uhrenholt Holding A/S-group can navigate these complexities effectively, and therefore we remain positive about 2025 and expect Earnings Before Tax for 2025 in the range of mDKK 50-70.

Statement of corporate social responsibility

The Uhrenholt Group has signed the UN's Global Compact and is actively working with social Responsibility and does see ESG as a key driver of the business. The Group has published the CSR report for 2024 on our website according to §99a of the Danish Financial Statement Act. The CSR report can be found at https://nozebra.ipapercms.dk/Uhrenholt/suii-aarsrapport/suii-aarsrapport-2024/

Statement on data ethics

The company has published the CSR report for 2024 on our website, wherein our statement on data ethics according to §99d of the Danish Financial Statement Act is disclosed. The CSR report can be found at https://nozebra.ipapercms.dk/Uhrenholt/suii-aarsrapport/suii-aarsrapport-2024/

Subsequent events

There have been no significant events occurring after the balance sheet date that would materially impact the evaluation of the Annual Report.

Income statement 1 January - 31 December

		Group		Parent company	
	Note	2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Revenue	1	2,343,792	0	0	0
Other operating income		547	0	0	0
Expenses for raw materials and consumables		-2,006,460	0	0	0
Other external expenses		-94,054	-3	-23	-3
Gross profit/loss		**243,825**	**-3**	**-23**	**-3**
Staff expenses	2	-138,436	0	0	0
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-27,323	0	0	0
Other operating expenses		-5,467	0	0	0
Profit/loss before financial income and expenses		**72,599**	**-3**	**-23**	**-3**
Income from investments in subsidiaries		0	0	33,622	0
Income from investments in associates	3	939,976	0	570,541	0
Financial income	4	1,357	0	140	0
Financial expenses	5	-13,163	-632	-938	-632
Profit/loss before tax		**1,000,769**	**-635**	**603,342**	**-635**
Tax on profit/loss for the year	3,6	-160,939	0	911	0
Net profit/loss for the year	7	**839,830**	**-635**	**604,253**	**-635**

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Completed development projects		4,544	0	0	0
Acquired patents		2,109	0	0	0
Acquired trademarks		629,662	0	0	0
Acquired other similar rights		3,779	0	0	0
Goodwill		280,465	0	0	0
Intangible assets	8	**920,559**	**0**	**0**	**0**
Land and buildings		44,983	0	0	0
Plant and machinery		5,372	0	0	0
Other fixtures and fittings, tools and equipment		5,089	0	0	0
Property, plant and equipment	9	**55,444**	**0**	**0**	**0**
Investments in subsidiaries	10	0	0	803,433	0
Investments in associates	11	0	143,829	0	143,829
Fixed asset investments		**0**	**143,829**	**803,433**	**143,829**
Fixed assets		**976,003**	**143,829**	**803,433**	**143,829**
Raw materials and consumables		126,401	0	0	0
Inventories		**126,401**	**0**	**0**	**0**
Trade receivables		478,985	0	0	0
Receivables from group enterprises		0	0	4,292	0
Other receivables		26,262	0	0	0
Deferred tax asset	14	1,049	0	0	0
Corporation tax		2,944	0	2,431	0
Corporation tax receivable from group enterprises		0	0	1,394	0
Prepayments	12	16,032	0	0	0
Receivables		**525,272**	**0**	**8,117**	**0**

Balance sheet 31 December

Assets

		Group		Parent company	
	Note	2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Current asset investments		**100**	**0**	**0**	**0**
Cash at bank and in hand		**13,289**	**1**	**137**	**1**
Current assets		**665,062**	**1**	**8,254**	**1**
Assets		**1,641,065**	**143,830**	**811,687**	**143,830**

Balance sheet 31 December

Liabilities and equity

		Group		Parent company	
	Note	2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Share capital	13	191	191	191	191
Reserve for net revaluation under the equity method		0	0	653,584	0
Reserve for hedging transactions		-1,184	0	0	0
Reserve for exchange rate conversion		1,162	0	0	0
Retained earnings		802,697	133,864	126,520	133,864
Proposed dividend for the year		8,000	0	8,000	0
Equity attributable to shareholders of the Parent Company		**810,866**	**134,055**	**788,295**	**134,055**
Minority interests		187,640	0	0	0
Equity		**998,506**	**134,055**	**788,295**	**134,055**
Provision for deferred tax	14	143,413	0	0	0
Other provisions	15	3,407	0	0	0
Provisions		**146,820**	**0**	**0**	**0**
Mortgage loans		17,100	0	0	0
Credit institutions		10,000	0	10,000	0
Other payables		14,329	0	0	0
Long-term debt	16	**41,429**	**0**	**10,000**	**0**
Mortgage loans	16	1,504	0	0	0
Credit institutions	16	89,848	0	10,087	0
Trade payables		289,783	0	0	0
Corporation tax		606	0	0	0
Payables to group enterprises relating to corporation tax		0	0	2,914	0
Other payables	16,17	72,569	9,775	391	9,775
Short-term debt		**454,310**	**9,775**	**13,392**	**9,775**
Debt		**495,739**	**9,775**	**23,392**	**9,775**
Liabilities and equity		**1,641,065**	**143,830**	**811,687**	**143,830**

Balance sheet 31 December

Liabilities and equity

		Group		Parent company	
	Note	2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Contingent assets, liabilities and other financial obligations	20				
Related parties	21				
Fee to auditors appointed at the general meeting	22				
Subsequent events	23				
Accounting Policies	24				

Statement of changes in equity

Group

	Share capital	Reserve for hedging transactions	Reserve for exchange rate conversion	Retained earnings	Proposed dividend for the year	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	191	0	0	133,863	0	134,054	0	134,054
Net effect from merger and acquisition under the uniting of interests method	0	0	0	-47,973	0	-47,973	75,207	27,234
Adjusted equity at 1 January	191	0	0	85,890	0	86,081	75,207	161,288
Exchange adjustments relating to foreign entities	0	0	1,162	0	0	1,162	397	1,559
Fair value adjustment of hedging instruments, beginning of year	0	-268	0	0	0	-268	-91	-359
Fair value adjustment of hedging instruments, end of year	0	-1,250	0	0	0	-1,250	-428	-1,678
Tax on adjustment of hedging instruments for the year	0	334	0	0	0	334	114	448
Other equity movements	0	0	0	121,639	0	121,639	-124,221	-2,582
Net profit/loss for the year	0	0	0	595,168	8,000	603,168	236,662	839,830
Equity at 31 December	**191**	**-1,184**	**1,162**	**802,697**	**8,000**	**810,866**	**187,640**	**998,506**

Statement of changes in equity

Parent company

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	191	0	133,863	0	134,054
Net effect from merger and acquisition under the uniting of interests method	0	0	-808	0	-808
Adjusted equity at 1 January	191	0	133,055	0	133,246
Exchange adjustments	0	1,162	0	0	1,162
Dividend from group enterprises	0	-1,376	1,376	0	0
Fair value adjustment of hedging instruments, beginning of year	0	-387	0	0	-387
Fair value adjustment of hedging instruments, end of year	0	-975	0	0	-975
Other equity movements	0	50,997	-1	0	50,996
Net profit/loss for the year	0	604,163	-7,910	8,000	604,253
Equity at 31 December	**191**	**653,584**	**126,520**	**8,000**	**788,295**

Cash flow statement 1 January - 31 December

	Note	Group 2024	Group 2023
		TDKK	TDKK
Result of the year		839,830	-635
Adjustments	18	-738,775	632
Change in working capital	19	-16,127	635
Cash flow from operations before financial items		**84,928**	**632**
Financial income		1,357	0
Financial expenses		-13,163	-632
Cash flows from ordinary activities		**73,122**	**0**
Corporation tax paid		-21,618	0
Cash flows from operating activities		**51,504**	**0**
Purchase of intangible assets		-7,041	0
Purchase of property, plant and equipment		-5,341	0
Fixed asset investments made etc		-5,600	0
Sale of current asset investments		97	0
Liquidity effect of step acquisition of the Uhrenholt Holding A/S-group		16,703	0
Cash flows from investing activities		**-1,182**	**0**
Repayment of mortgage loans		-376	0
Repayment of loans from credit institutions		-36,658	0
Cash flows from financing activities		**-37,034**	**0**
Change in cash and cash equivalents		**13,288**	**0**
Cash and cash equivalents at 1 January		1	1
Cash and cash equivalents at 31 December		**13,289**	**1**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		13,289	1
Cash and cash equivalents at 31 December		**13,289**	**1**

Cash and bank balances at 31 December 2024 include 2,1 MDKK that relates to bank balances subject to restrictions. These funds are not readily available for general use by the SU II ApS group.

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
1. Revenue				
Geographical segments				
Europe	546,019	0	0	0
Asia and Pacific	967,370	0	0	0
Middle East and Africa	408,868	0	0	0
Other	421,535	0	0	0
	2,343,792	**0**	**0**	**0**
Business segments				
Consumer division	1,238,033	0	0	0
Trading division	1,105,759	0	0	0
	2,343,792	**0**	**0**	**0**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
2. Staff expenses				
Wages and salaries	127,988	0	0	0
Pensions	7,605	0	0	0
Other social security expenses	1,101	0	0	0
Other staff expenses	1,742	0	0	0
	138,436	**0**	**0**	**0**

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Average number of employees	**196**	**0**	**0**	**0**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
3. Special items				
Fair value step-up adjustment related to step-acquisition (presented under "Income from investments in associates")	939,976	0	570,541	0
Fair value step-up adjustment related to step-acquisition (presented under "Tax on profit/loss for the year")	-143,861	0	0	0
	796,115	**0**	**570,541**	**0**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
4. Financial income				
Interest received from group enterprises	0	0	130	0
Other financial income	1,357	0	10	0
	1,357	**0**	**140**	**0**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
5. Financial expenses				
Other financial expenses	7,133	632	938	632
Exchange adjustments, expenses	6,030	0	0	0
	13,163	**632**	**938**	**632**

	Group 2024	Group 2023	Parent company 2024	Parent company 2023
	TDKK	TDKK	TDKK	TDKK

6. Income tax expense

	Group 2024 TDKK	Group 2023 TDKK	Parent company 2024 TDKK	Parent company 2023 TDKK
Current tax for the year	15,540	0	-911	0
Deferred tax for the year	145,372	0	0	0
Adjustment of tax concerning previous years	-421	0	0	0
	160,491	**0**	**-911**	**0**
thus distributed:				
Income tax expense	160,939	0	-911	0
Tax on equity movements	-448	0	0	0
	160,491	**0**	**-911**	**0**

7. Profit allocation

	Parent company 2024 TDKK	Parent company 2023 TDKK
Proposed dividend for the year	8,000	0
Reserve for net revaluation under the equity method	604,163	0
Retained earnings	-7,910	-635
	604,253	**-635**

Notes to the Financial Statements

8. Intangible fixed assets

Group

	Completed develop-ment projects	Acquired patents	Acquired trademarks	Acquired other similar rights	Goodwill
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	0	0	0	0	0
Exchange adjustment	0	-1	0	0	134
Net effect from merger and acquisition	3,243	5,731	639,300	30,166	364,955
Additions for the year	4,003	1,301	0	1,737	0
Disposals for the year	0	-1,506	0	0	0
Transfers for the year	-589	0	0	589	0
Cost at 31 December	6,657	5,525	639,300	32,492	365,089
Impairment losses and amortisation at 1 January	0	0	0	0	0
Exchange adjustment	0	0	0	0	135
Net effect from merger and acquisition	1,743	3,750	0	25,042	74,981
Amortisation for the year	959	377	9,638	3,082	9,508
Reversal of impairment and amortisation of sold assets	0	-711	0	0	0
Transfers for the year	-589	0	0	589	0
Impairment losses and amortisation at 31 December	2,113	3,416	9,638	28,713	84,624
Carrying amount at 31 December	**4,544**	**2,109**	**629,662**	**3,779**	**280,465**

Development costs relate to the external development and implementation cost of software systems for internal use.

9. Property, plant and equipment
Group

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment
	TDKK	TDKK	TDKK
Cost at 1 January	0	0	0
Exchange adjustment	213	0	177
Net effect from merger and acquisition	82,539	30,816	20,527
Additions for the year	2,080	551	2,710
Disposals for the year	0	0	-2,310
Cost at 31 December	84,832	31,367	21,104
Impairment losses and depreciation at 1 January	0	0	0
Exchange adjustment	101	0	75
Net effect from merger and acquisition	38,633	25,073	16,190
Depreciation for the year	1,115	922	1,724
Reversal of impairment and depreciation of sold assets	0	0	-1,974
Impairment losses and depreciation at 31 December	39,849	25,995	16,015
Carrying amount at 31 December	**44,983**	**5,372**	**5,089**

Notes to the Financial Statements

	Parent company	
	2024	2023
	TDKK	TDKK
10. Investments in subsidiaries		
Cost at 1 January	143,829	0
Net effect from merger and acquisition	420	0
Additions for the year	5,600	0
Cost at 31 December	149,849	0
Net profit/loss for the year	52,368	0
Dividend to the Parent Company	-1,376	0
Revaluations for the year, net	570,541	0
Other equity movements, net	50,797	0
Amortisation of goodwill	-18,746	0
Value adjustments at 31 December	653,584	0
Carrying amount at 31 December	**803,433**	**0**
Positive differences arising on initial measurement of subsidiaries at net asset value	621,539	0

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes	Ownership
Uhrenholt Holding A/S	Denmark	100%	74,51%
Uhrenholt A/S	Denmark	100%	74,51%
F. Uhrenholt Handel ApS	Denmark	100%	74,51%
F. Uhrenholt Holding A/S	Denmark	100%	74,51%
Uhrenholt Middle East DMCC	Dubai	100%	74,51%
Uhrenholt Philippines Inc.	Philippines	100%	74,51%
Uhrenholt Polska SP z.o.o.	Poland	100%	74,51%
Uhrenholt Sdn Bhd	Malaysia	100%	74,51%
Uhrenholt España S.L.U	Spain	100%	74,51%
Uhrenholt Oceania Pty. Ltd.	Australia	100%	74,51%
Uhrenholt Food Solutions (Shanghai) Co. Ltd.	China	100%	74,51%
Uhrenholt South Africa Pty Ltd.	South Africa	100%	74,51%
Uhrenholt Food Service Hong Kong Ltd.	China	100%	74,51%
Uhrenholt LLC	Russia	100%	74,51%
F. Uhrenholt Holding International ApS	Denmark	100%	74,51%
F. Uhrenholt Dairy Products ApS	Denmark	100%	74,51%
Selskabet af 17.08.2007 ApS	Denmark	100%	74,51%
UES ApS	Denmark	100%	74,51%
Emborg Foods USA Inc.	USA	100%	74,51%

Notes to the Financial Statements

Name	Place of registered office	Votes	Ownership

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
11. Investments in associates				
Cost at 1 January	0	143,829	143,829	143,829
Transfers for the year	0	0	-143,829	0
Cost at 31 December	0	143,829	0	143,829
Carrying amount at 31 December	**0**	**143,829**	**0**	**143,829**

12. Prepayments

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

13. Share capital

	Number	Nominal value
		TDKK
A-shares	19,116	19
B-shares	172,044	172
		191

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
14. Provision for deferred tax				
Deferred tax addition, net effect from merger and acquisitions	-3,008	0	0	0
Amounts recognised in the income statement for the year	145,372	0	0	0
Deferred tax liabilities at 31 December	**142,364**	**0**	**0**	**0**
Recognised in the balance sheet as follows:				
Assets	1,049	0	0	0
Provisions	-143,413	0	0	0
	142,364	**0**	**0**	**0**

The deferred tax asset is based on temporary differences between accounting and tax values primarily related to internal profit on inventory. The deferred tax asset is not based on carry forward tax losses.

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
15. Other provisions				
Other provisions	3,407	0	0	0
	3,407	**0**	**0**	**0**
The provisions are expected to mature as follows:				
Within 1 year	3,407	0	0	0
After 5 years	0	0	0	0
	3,407	**0**	**0**	**0**

Other provisions relate to the accrual for a loss making contract.

16. 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	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Mortgage loans				
After 5 years	11,001	0	0	0
Between 1 and 5 years	6,099	0	0	0
Long-term part	17,100	0	0	0
Within 1 year	1,504	0	0	0
	18,604	**0**	**0**	**0**
Credit institutions				
After 5 years	0	0	0	0
Between 1 and 5 years	10,000	0	10,000	0
Long-term part	10,000	0	10,000	0
Within 1 year	89,848	0	10,087	0
	99,848	**0**	**20,087**	**0**
Other payables				
After 5 years	1,323	0	0	0
Between 1 and 5 years	13,006	0	0	0
Long-term part	14,329	0	0	0
Within 1 year	529	0	0	0
Other short-term payables	72,040	9,775	391	9,775
	86,898	**9,775**	**391**	**9,775**

Other payables of 13,131 TDKK as of 31 December 2024 carry interest.

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
17. Derivative financial instruments				

Derivative financial instruments contracts in the form of forward exchange contracts and futures have been concluded. At the balance sheet date, the fair value of derivative financial instruments amounts to:

Liabilities	10,791	0	0	0

Forward exchange contracts have been concluded to hedge future sale and purchase of goods in USD, EUR, AUD, SGD, SEK, NZD and GBP. At the balance sheet date, the fair value of the forward exchange contracts amounts to TDKK -9,522. The company has contracted the selling of USD of 36,927t, the buying of EUR 11,842t, the selling of AUD of 9,072t, the selling of SGD of 4,076t, the selling of SEK of 6,000t, the selling of NZD of 902t, the buying of GBP 1,678t. All currencies with a term of maximum 8 months. The company has entered the forward exchange contracts with large Danish banking institutions as counterparts and assesses the counterparty risk as very limited.

The group has engaged in commodity futures contracts to either hedge or capitalize on price fluctuations in dairy-related commodities. These contracts are cash-settled and denominated in EUR and USD. As of the balance sheet date, the fair value of the futures contracts is TDKK -1,269. The majority of the volume is in fat-based products, such as cheeses and butter (net sale of 350 MT), while the remainder consists of protein-based products, including milk or protein powders (net sale of 285 MT). All contracts have maturities ranging from 0 to 6 months. The futures are traded through commodity brokers specializing in dairy. These counterparties are publicly listed companies with S&P credit ratings of BB- or higher, and all trades are collateralized, significantly reducing counterparty risk.

	Value adjustment, income statement	Value adjustment, equity	Fair value at 31. December
	TDKK	TDKK	TDKK
Forward exchange contracts	-7,844	-1,678	-9,522
Futures	-1,269	0	-1,269

Notes to the Financial Statements

18. Cash flow statement - Adjustments

	Group	
	2024	2023
	TDKK	TDKK
Financial income	-1,357	0
Financial expenses	13,163	632
Depreciation, amortisation and impairment losses, including losses and gains on sales	28,456	0
Income from investments in associates	-939,976	0
Tax on profit/loss for the year	160,939	0
	-738,775	**632**

19. Cash flow statement - Change in working capital

	Group	
	2024	2023
	TDKK	TDKK
Change in inventories	-7,370	0
Change in receivables	-11,461	0
Change in other provisions	3,407	0
Change in trade payables, etc	1,334	635
Fair value adjustments of hedging instruments	-2,037	0
	-16,127	**635**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
20. Contingent assets, liabilities and other financial obligations				
Charges and security				
The following assets have been placed as security with mortgage credit institutes:				
Land and buildings with a carrying amount of	44,983	0	0	0
Booked value of debt to mortgage credit institutes of	18,604	0	0	0
At 31 December bank guarantees have been provided to the tax authorities through banks/finance companies of	1,450	0	0	0
The following assets have been placed as security with a loan provider				
Land and buildings with a carrying amount of	5,248	0	0	0
Booked value of debt to loan provider of	3,969	0	0	0
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	3,230	0	0	0
Between 1 and 5 years	4,262	0	0	0
	7,492	**0**	**0**	**0**
Rental obligations, non-cancellation period 2-24 months.	17,452	0	0	0

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

20. 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 Danish companies in the Group. The total amount of Danish 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.

The group company Uhrenholt A/S is a partner in Interessentskabet 12. april 2024 and is jointly and severally liable for the partnership's obligations. As of 31 December 2024, the total assets and liabilities of the partnership amounted to TDKK 3,554 and TDKK 99, respectively.

21. Related parties

	Basis
Controlling interest	
Sune Uhrenholt Langelinie 27 5230 Odense M	Controlling interest
Other related parties	
Interessentskabet af 12. april 2024 Teglgårdsparken 106 5500 Middelfart	Associated company (Joint operation) Ownership and votes: 49%

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)(6) of the Danish Financial Statements Act.

No transactions with related parties have been made, which are not on arm's length basis.

	Group	
	2024	2023
	TDKK	TDKK

22. Fee to auditors appointed at the general meeting

	2024 TDKK	2023 TDKK
PwC		
Audit fee	648	3
Other assurance engagements	30	0
Tax advisory services	260	0
Non-audit services	647	0
	1,585	**3**
Others		
Audit fee	63	0
Tax advisory services	16	0
Non-audit services	163	0
	242	**0**

With reference to the Danish Financial Statements Act § 96, 3 information on auditing fees is exclusively provided for the consolidated financial statements of SU II ApS and not for the parent company.

23. Subsequent events

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

24. Accounting policies

The Annual Report of SU II ApS for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2024 are presented in TDKK.

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.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, SU II 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.

Pooling of interests

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied as if the two enterprises had been combined as per January 1, 2024.

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquistition of subsidiaries.

Business acquisitions carried through on or after 1 July 2018

Minority interests are initially measured at their proportionate share of the fair value of the acquired entity’s identifiable net assets. In this way, only goodwill related to the Parent Company’s share of the entity acquired is recognised.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other 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; however, see the section on hedge accounting.

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.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as ”Other receivables” and ”Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Segment information on revenue

Information on business segments and geographical segments is based on the Group's risks and returns and its internal financial reporting system.

Income statement

Revenue

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.

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

Notes to the Financial Statements

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 expenses for premises, sales as well as office expenses, etc.

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.

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

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

Income from investments in subsidiaries and associates

Dividends from associates are recognised as income in the income statement when adopted at the General Meeting of the associate. However, dividends relating to earnings in the associate before it was acquired by the Parent Company are set off against the cost of the associate.

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

Investments in associates consists of joint arrangements classified as joint operations. The group recognises its share of any jointly held or incurred assets, liabilities, revenues and expenses (Pro rata). These have been incorporated in the financial statements under the appropriate headings.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for 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 Danish group companies. 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

Goodwill is amortised on a straight-line basis over the estimated useful life of 10-25 years, determined on the basis of Management's experience with the individual business areas, including an assessment of strong market presence over many decades and strong stakeholder relations, and an assessment of a stabile environment for the industry with a low degree of technical and technological obsolescence.

Goodwill is written down to recoverable amount if this is lower than the carrying amount.

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 3-10 year.

Other intangible fixed assets

Patents are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Patents are amortised over the remaining patent period or a shorter useful life. The amortisation period is maximum 50 years. The amortization period is determined on the basis of Management's assessment of the strength of the brands including market penetration, level of awareness and relative popularity.

Other intangible fixed assets are written down to the recoverable amount if this is lower than the carrying amount.

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:

Plant and machinery	3-15 years
Other fixtures and fittings, tools and equipment	3-8 years
Other buildings	20-65 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 and associates

Investments in subsidiaries are recognised and measured under the equity method. Investments in associates are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

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.

Investments in associates consists of joint arrangements classified as joint operations. The group recognises its share of any jointly held or incurred assets, liabilities, revenues and expenses (Pro rata). These have been incorporated in the financial statements under the appropriate headings.

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.

Notes to the Financial Statements

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.

Current Asset Investments

Current Asset Investments, which consist of unlisted shares.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include accrual for loss making contracts. Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured 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.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Notes to the Financial Statements

Financial liabilities

Loans, such as mortgage loans and 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.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, the Parent Company has not prepared a cash flow statement for the Company itself but has only prepared a cash flow statement for the Group.

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 "Cash at bank and in hand".

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 primary operations x 100 / Revenue
Return on assets	Profit/loss of 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