Cloetta Danmark ApS

Vallensbækvej 18D, 2605 Brøndby

Company reg. no. 28 10 68 66

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 14 July 2025.

Mads Brinks
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Executive Board has approved the annual report of Cloetta Danmark ApS for the financial year 1 January - 31 December 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Brøndby, 14 July 2025

Executive board

Frans Per Olof Rydén   Katarina Linnea Tell   Mads Brinks

John Niklas Tuve Truedsson

Independent auditor's report

To the Shareholder of Cloetta Danmark ApS

Opinion

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

We have audited the Financial Statements of Cloetta Danmark ApS for the financial year 1 January to 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor’s Responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 conclusions 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 Statement Act. We did not identify any material misstatement in Management's Review.

Independent auditor's report

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- 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 the internal control that we identify during our audit.

Hellerup, 14 July 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Company reg. no. 33 77 12 31

Gösta Gauffin
State Authorised Public Accountant
mne45821

Company information

The company	Cloetta Danmark ApS Vallensbækvej 18D 2605 Brøndby	
	Phone	58 56 55 55
	Web site	www.cloetta.com
	E mail	info@cloetta.dk
	Company reg. no.	28 10 68 66
	Established:	9 September 2004
	Domicile:	Brøndby
	Financial year:	1 January - 31 December
Executive board	Frans Per Olof Rydén Katarina Linnea Tell Mads Brinks John Niklas Tuve Truedsson	
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab	
Bankers	Danske Bank, Svenska Handelsbanken	
Parent company	Cloetta Suomi Oy Finland	
Subsidiaries	Cloetta Norge AS, Oslo, Norway Candy Express ApS, Brøndby, Danmark	

Financial highlights

DKK in thousands.	2024	2023	2022	2021	2019/20
Income statement:					
Total revenue	697.204	628.045	484.643	425.988	414.872
Gross profit	122.558	83.472	65.820	79.463	75.839
Profit from operating activities	124.674	13.347	4.648	22.829	17.873
Net financials	72.318	-7.081	-3.558	-3.226	-1.920
Profit for the year	114.575	10.386	3.603	17.815	13.926
Statement of financial position:					
Total assets	528.604	425.464	405.870	348.892	331.488
Investments in property, plant and equipment	1.876	3.854	3.001	1.694	4.423
Equity	283.875	251.382	240.995	237.392	219.577
Employees:					
Average number of full-time employees	121	114	104	97	97
Key figures in %:					
Gross margin	17,6	13,3	13,6	18,7	18,3
Return on equity	42,8	4,2	1,5	7,8	6,5
Solvency ratio	53,7	59,1	59,4	68,0	66,2

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Gross margin ratio

$$\frac{\text{Gross profit x 100}}{\text{Revenue}}$$

Solvency ratio

$$\frac{\text{Equity, closing balance x 100}}{\text{Total assets, closing balance}}$$

Return on equity

$$\frac{\text{Net profit or loss for the year x 100}}{\text{Average equity}}$$

Management´s review

Principal activities

Cloetta Danmark ApS sells confectionery and savoury products, branded packed products and pick & mix, and the main sales channels are grocery retail trade and service trade. The non-food outlets and DIY stores are channels of growing importance.

Development in activities and financial matters

The income statement for the financial year 1 January – 31 December 2024 shows a profit of 114,575 thousand DKK, and at 31 December 2024, the balance sheet of the Company showed equity of 283,875 thousand DKK.

The income statement for 2024 shows a revenue of 697,205 thousand DKK (628,045 thousand DKK in 2023). The increase compared to last year is attributed to a combination of price adjustments reflective of the changes in input and higher sales volumes.

Management considers the result for the year to be above expectations. Topline growth has been driven by a combination of improved product mix, volume increases, and pricing actions aligned with input cost developments resulting in a slight improvement in gross margin. In particular cost development proved as volatile as previous couple of years, which posed substantial challenges to our cost structure and supply chain stability.

In 2024 a transfer was made of the so-called Travel retail Business from Cloetta Sverige AB to Cloetta Danmark ApS, as part of a streamlining process within the Cloetta group for intercompany transactions. As a consequence of this transfer, an intangible asset has been formed in Cloetta Danmark with an initial value of 104,706 thousand DKK.

On 28 April 2025, Cloetta announced plans to change the organisational structure and Group Management to support new strategic priorities to create a more effective operating structure through changes in its commercial and group-level functions. The financial effects of this decision have not been recognised at 31 December 2024. Cloetta expects that the changes will result in a reduction of up to 100 positions across Europe by year-end 2025 and annual savings of DKK 40-50m. The savings are expected to have a full effect in the first quarter of 2026. The plan is expected to result in a one-time cost of DKK 40-50m in items affecting comparability, with the majority to be recognised in 2025. Which part of the above amounts relate to Cloetta Danmark Aps is unknown and to be determined later in 2025.

Outlook

Cloetta Danmark is well-equipped to generate growth in the Danish market and expect a topline improvement of 0-10%, while maintaining profitability.

We are convinced that our strategy, combined with our strong brands and market position, position us well to emerge stronger from the recent geopolitical, inflationary and input cost turmoil.

Management´s review

Financial risks

The company's operations are exposed to various financial risks: market risk (including currency risk, interest rate risk in fair value, interest rate risk in cash flow and price risk), credit risk and liquidity risk. The company's overall risk management focuses on managing uncertainty in the financial markets and strives to minimize possible adverse effects on the company's financial results.

Financial risks are managed by a central finance function for the Group (Group Treasury). Group Treasury identifies, evaluates and secures financial risks if possible, in close cooperation with the Group's operational units. The most important market and financial risks are described below.

Market related risks

The long-term impact of the geopolitical situation is unknown, but it has resulted in historically low consumer confidence indeces. To mitigate the impacts hereof, Cloetta has adjusted its marketing mix in terms of media to reflect new patterns of consumption. During the year, we also launched several marketing campaigns to generate sustainable profitability, while also working to build the pick & mix category.

Currency risks

The company is primarily active in Denmark, but also within the rest of the European Union. The company's currency risk primarily relates to positions and future transactions in euro (EUR). The currency risk arises when future business transactions or recognized assets or liabilities are made in a currency that is not the unit's functional currency. Exchange rate effects are partly minimized through the linked Danish krone to the euro but also by utilizing incoming currency for payments in the same currency.

*Interest rate risk*s

The company is exposed to interest rate risk on interest-bearing long-term and current liabilities. The company is exposed to the consequences of variable interest rates on liabilities. In the case of loans at fixed interest rates, the company is exposed to market risk, which is not a significant risk to the company.

Legal and tax risks

New laws, taxes or regulations in different markets can lead to restrictions in operations or impose new and higher requirements. There may be a risk in the Company's interpretation of applicable tax legislation, tax treaties and other regulations, or such rules may be amended, possibly with retroactive effect. The company continuously assesses legal issues in order to predict and prepare the business for any changes.
Provisions for legal disputes and tax disputes are estimated on the basis of legal advice and available information.

Management´s review

*Credit risk*s

The company's external customers are subject to a credit check in accordance with the credit policy. The payment terms vary by customer and are part of the sales agreements. The receivables balance is monitored on an ongoing basis, with the result that the company's exposure to bad debts is insignificant. Due to the company's experience regarding the collection of accounts receivable and a low level of losses, the credit risk is considered to be low.

*Liquidity risk*s

Cash flow forecasts are made for the operating unit. The finance function continuously monitors the sources and size of the company's cash flows, credits and current liquidity and makes rolling forecasts to ensure that there is always sufficient liquidity to meet the needs of the business.
Via Danske Bank, the Group has a National Group Account (NGA), ie a fictitious Group account, the account comprises the company.

Management´s review

Environmental impact and CSR

Information on corporate social responsibility

With reference to section 99a(7) of the Danish Financial Statements Act and to the Sustainability Report of Cloetta AB, the company has not disclosed this information in its own Management's Review.

The report is available on the Group's website, page 62-104:
https://www.cloetta.com/en/wp-content/uploads/sites/2/2025/03/Cloetta_2024_ENG.pdf

Data ethics policy

The Cloetta Group complies with the General Data Protection Regulation and additional national data legislative requirements for processing of personal data. Further, it adheres to other legislative requirements that require safeguards to be established for IT systems, such as the NIS 2 directive and the company maintains channels for reporting misconduct, such as anonymous whistleblowing.

The company, as well as the Cloetta Group in general, generates data itself, including production-related and financial data, acquires data for various purposes, including anonymous data relating to sales of products, and purchase services that provide generate data, such as consumer insights. Storage of such data is subject to industry-standard safeguards and access is strictly controlled. The vast majority of all consumer-related data is highly aggregated. Personal data is primarily kept on employees and such data is limited to fulfil obligations contractual and legal obligations. The goods and services sold by the Company are not related to processing of data and no data is sold as an ancillary service provided to third parties. Data is only provided to third parties subject to appropriate safeguards, including data processing agreements. Currently, no data belonging to, or under the responsibility of the company, is being utilised for machine learning or artificial intelligence training or for any artificial intelligence processing.

The company yearly evaluates the need for a data ethics policy and, in-light of this limited usage of data within the Company, the Company’s assessment is that there is currently no need for a data ethics policy. As industry development relating to data processing progresses and the Company further considers solutions utilising more advanced data-driven technologies, in particular artificial intelligence and machine learning trained with or integrating datasets provided by the Company, the Company acknowledges that the need for making ethical considerations connected to data processing and as an outcome of that.

Income statement 1 January - 31 December

DKK thousand.

Note		2024	2023
3	Revenue	686.872	623.323
4	Other operating income	10.332	4.722
	Raw materials and consumables used	-454.065	-437.382
	Other external expenses	-120.581	-107.191
	Gross profit	**122.558**	**83.472**
5	Staff costs	-65.939	-59.532
	Depreciation and writedown relating to fixed assets	-4.263	-3.512
	Operating profit	**52.356**	**20.428**
	Income from investments in group enterprises	78.954	0
	Other financial income	384	38
6	Other financial costs	-7.020	-7.119
	Pre-tax net profit or loss	**124.674**	**13.347**
7	Tax on net profit or loss for the year	-10.099	-2.961
8	**Net profit or loss for the year**	**114.575**	**10.386**

Balance sheet at 31 December

DKK thousand.

Note	Assets	2024	2023
	Non-current assets		
9	Goodwill	31.219	0
9	Customer list	72.240	0
	Total intangible assets	103.459	0
10	Other fixtures, fittings, tools and equipment	7.240	6.977
10	Property, plant and equipment in progress and prepayments for property, plant and equipment	2.406	3.808
	Total property, plant, and equipment	9.646	10.785
11	Investments in group enterprises	227.456	223.706
12	Financial assets	804	793
	Total investments	228.260	224.499
	Total non-current assets	**341.365**	**235.284**
	Current assets		
	Trade debtors	169.718	164.947
13	Receivables from group enterprises	15.005	20.291
	Deferred tax assets	0	1.509
	Other receivables	2.516	3.433
	Total receivables	187.239	190.180
	Total current assets	**187.239**	**190.180**
	Total assets	**528.604**	**425.464**

Balance sheet at 31 December

DKK thousand.

Note	Equity and liabilities	2024	2023
	Equity		
14	Contributed capital	500	500
	Retained earnings	283.375	250.882
	Total equity	**283.875**	**251.382**
	Provisions		
15	Provisions for deferred tax	1.291	0
	Total provisions	**1.291**	**0**
	Liabilities other than provisions		
	Trade creditors	6.607	4.536
16	Payables to group enterprises	147.886	95.874
	Income tax payable	7.926	1.202
	Other payables	81.019	72.470
	Total short term liabilities other than provisions	243.438	174.082
	Total liabilities other than provisions	**243.438**	**174.082**
	Total equity and liabilities	**528.604**	**425.464**

1 Accounting policies
2 Subsequent events
17 Contractual obligations, contingencies, etc.
18 Related parties

Statement of changes in equity

DKK thousand.

	Contributed capital	Retained earnings	Total
Equity 1 January 2024	500	250.882	251.382
Profit or loss for the year brought forward	0	114.575	114.575
Distributed extraordinary dividend adopted during the financial year.	0	-82.082	-82.082
	500	**283.375**	**283.875**

Notes

1. Accounting policies

The annual report for Cloetta Danmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (large enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

According to section 96 (3) of the Danish Financial Statements Act, the company has not disclosed the fee to the auditor, as the relevant information is included in the consolidated Financial Statements of Cloetta AB.

No consolidated financial statements have been prepared pursuant to section 112 (1) of the Danish Financial Statements Act. The financial statements of Cloetta Danmark ApS and its group enterprises are included in the consolidated financial statements for Cloetta AB, Sundbyberg, Sweden, CVR nr. 556308-8144.

Pursuant to section 86 (4) of the Danish Financial Statements Act, no statement of cash flows for the enterprise has been prepared, as the relevant information is included in the consolidated financial statements of Cloetta AB.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Notes

1. Accounting policies (continued)

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Revenue

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Raw materials and consumables used

Raw materials and consumables used comprise costs of goods for resale to achieve revenue for the year.

Other operating income

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs

Other external costs comprise warehousing and distribution costs, costs related to marketing, advertising and exhibitions, management fees and administration costs such as leasing cars, consultancy costs, office premises and office costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Notes

1. Accounting policies (continued)

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of tangible assets, respectively.

Results from investments in group enterprises

Dividends from investments in group enterprises are recognised as income in the income statement when adopted at the General Meeting of the subsidiary.

If the dividend received exceeds the proportionate share of the year's result, this is considered an indication of impairment, which entails a requirement to prepare an impairment test.

Dividends may only be recognized as income in the income statement in an amount equal to the company's cumulative earnings earned after the acquisition of the investments.

Dividends arising from earnings earned before the acquisition are recognized as a reduction of the cost of the investment. Subsequent earnings in relation to distributed dividends do not result in a previously recognized reduction to cost being reversed. In these cases, the carrying amount of investments is maintained unless further impairment is required.

In the case of extraordinary dividends, the basis for calculating the accumulated earnings since the acquisition will be calculated on the basis of the available interim balance.

Financial income and costs

Financial income and costs are recognised in the income statement with the amounts concerning the financial year. Financial income and costs comprise interest income and costs, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Intangible assets

Acquired rights

Acquired rights are measured at cost less accrued amortisation. Acquired rights are amortised on a straightline basis for a period of 7 years.

Notes

1. Accounting policies (continued)

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Machinery	3-5 years
Other fixtures and fittings, tools and equipment	3-10 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Property, plant, and equipment in progress

Property, plant, and equipment in progress are measured and recognised as the total costs incurred. When the work has been completed, the total value is transferred to the relevant item under property, plant, and equipment and is amortised from the date of entry into service.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Notes

1. Accounting policies (continued)

Investments

Investments in group enterprises

Investments in group enterprises are recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment assessments in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Notes

1. Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents are included as part of an internal group cash pool scheme. These are not considered to be liquid holdings, but are included in the accounting item receivables from group enterprises and/or debts to group enterprises.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Notes

DKK thousand.

2. Subsequent events

On 28 April 2025, Cloetta announced plans to change the organisational structure and Group Management to support new strategic priorities to create a more effective operating structure through changes in its commercial and group-level functions. The financial effects of this decision have not been recognised at 31 December 2024. Cloetta expects that the changes will result in a reduction of up to 100 positions across Europe by year-end 2025 and annual savings of DKK 40-50m. The savings are expected to have a full effect in the first quarter of 2026. The plan is expected to result in a one-time cost of DKK 40-50m in items affecting comparability, with the majority to be recognised in 2025. Which part of the above amounts relate to Cloetta Danmark Aps is unknown and to be determined later in 2025.

3. Revenue

Information on segments
Activities - primary segment
The company operates solely on the market for confectionery in Denmark, and therefore no specific segment information had been included.

	2024	2023
4. Other operating income		
Invoiced salary and other management fees to group enterprises	10.332	4.722
	10.332	**4.722**

Notes

DKK thousand.

		2024	2023
5.	**Staff costs**		
	Salaries and wages	60.441	54.407
	Pension costs	4.725	4.482
	Other costs for social security	773	643
		65.939	**59.532**
	Remuneration executive board	6.194	5.368
	Average number of employees	121	114

The average number of employees has been 121 (2023: 114).

The incentive programme for all employees with Haylevel 20 and up, including the board of directors, are invited to the program. Invited people can depending on the LTIP-category invest a certain percentage of their annual salary into shares. These shares should be kept for the whole vesting period of the plan. At the end of the vesting period of approx. 3 years and if certain performance conditions are met a number of shares will be granted to participants. The share-based long term incentive plans of 2020 and 2021 were vested in 2023 and 2024, respectively. As of December 31, 2024, 27,733 shares have been earned with a value of DKK 785,835. As of December 31, 2023, 19,839 shares was earned with a value of DKK 504,775.

		2024	2023
6.	**Other financial costs**		
	Financial costs, group enterprises	2.780	3.898
	Other financial costs	4.240	3.221
		7.020	**7.119**

7.	**Tax on net profit or loss for the year**		
	Tax of the results for the year	7.300	2.425
	Deferred tax of the results for the year	2.799	536
		10.099	**2.961**

Notes

DKK thousand.

		2024	2023
8.	**Proposed distribution of net profit**		
	Extraordinary dividend distributed during the financial year	82.082	0
	Transferred to retained earnings	32.493	10.386
	Total allocations and transfers	**114.575**	**10.386**

		Customer list	Goodwill	Total
9.	**Intangible assets**			
	Cost at 1 January 2024	0	0	0
	Additions	73.111	31.595	104.706
	Cost at 31 December 2024	**73.111**	**31.595**	**104.706**
	Disposal and depreciation at 1 January 2024	0	0	0
	Depreciation for the year	871	376	1.247
	Disposal and depreciation at 31 December 2024	**871**	**376**	**1.247**
	Carrying amount at 31 December 2024	**72.240**	**31.219**	**103.459**

The enterprise's intangible assets are related to the transfer of the so-called Travel Retail Business and includes a customer list and goodwill, bought from Cloetta Sverige AB as part of a streamlining process within the Cloetta group for intercompany transactions. The customer list which will be depreciated over 7 years and the goodwill will be amortised over 10 years.

Notes

DKK thousand.

10. Property, plant and equipment

	Fixtures, tools and equipment	PPE under construction
Cost at 1 January 2024	33.828	3.809
Addition	0	1.876
Reclassification equipment	3.279	-3.279
Cost at 31 December 2024	**37.107**	**2.406**
Disposal and depreciation at 1 January 2024	26.851	0
Depreciation for the year	3.016	0
Disposal and depreciation at 31 December 2024	**29.867**	**0**
Carrying amount 31 December 2024	**7.240**	**2.406**

	31/12 2024	31/12 2023
11. Investments in group enterprises		
Acquisition sum, opening balance 1 January 2024	223.706	219.956
Additions during the year	3.750	3.750
Cost 31 December 2024	**227.456**	**223.706**
Carrying amount, 31 December 2024	**227.456**	**223.706**

Financial highlights for the enterprises according to the latest approved annual reports

DKK in thousands	Equity interest	Equity	Results for the year	Carrying amount, Cloetta Danmark ApS
Cloetta Norge AS, Oslo, Norway	100 %	51.636	976	134.002
Candy Express ApS, Brøndby, Danmark	100 %	4.863	-2.766	14.500
		56.499	**-1.790**	**148.502**

Notes

DKK thousand.

	31/12 2024	31/12 2023
12. Financial assets		
Cost 1 January 2024	793	705
Additions during the year	11	88
Cost 31 December 2024	**804**	**793**
Carrying amount, 31 December 2024	**804**	**793**

13. Receivables from group enterprises

Part of the balance relates to an intra-group cash pool scheme with DKK 12,206 thousand.

14. Contributed capital

The share capital consists of 500,000 shares of a nominal value of DKK 1 each. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

	31/12 2024	31/12 2023
15. Provisions for deferred tax		
Provisions for deferred tax 1 January 2024	-1.509	-2.046
Deferred tax of the results for the year	2.800	537
	1.291	**-1.509**
The following items are subject to deferred tax:		
Intangible assets	3.017	0
Property, plant, and equipment	-107	-655
Provision	-1.387	-742
Other payables	-232	-112
	1.291	**-1.509**

16. Payables to group enterprises

Part of the balance relates to an intra-group cash pool scheme with DKK 72,953 thousand.

Notes

DKK thousand.

17. Contractual obligations, contingencies, etc.

The Company has entered into operating leases. The leases have a remaining term of up to 36 months with a total remaining lease payment of approximately DKK 5.4 million (2023 DKK 6.5 million)

Cloetta Danmark ApS has a parent company guarantee which relates to the rented office of Cloetta Norge AS with a total amount of DKK 1.5 million.

There are no other contingent liabilities.

18. Related parties

Consolidated financial statements

Cloetta Danmark ApS is part of the consolidated financial statement of Cloetta AB registration number 556308-8144, in which the Company is included as a subsidiary.
The consolidated financial statement is to be obtained from:
Cloetta AB (Publ)
Box 2052
174 02 Sundbyberg
Sverige

Related party transactions

Cloetta Danmark ApS discloses all transactions with related parties during the year. In 2024 the following transactions have occurred, plus the received and paid dividend of 82.082 thousand DKK:

	2024
Purchase of goods from group enterprises	456.303.780
Services from group enterprises	163.614.252
Services to group enterprises	10.824.536
Other financial expenses group enterprises	2.745.530
Intercompany payables	76.663.914
Intercompany receivables	56.216.521
Customer list and goodwill	104.705.963

In addition, transactions with the management have been carried out in the form of management remuneration, cf. note 5.